# Daily Report

# Latin America

FBIS-LAT-93-166
Monday
30 August 1993

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## Latin America

*FBIS-LAT-93-166* *30 August 1993*

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## Central American Presidents' News Conference

*PA2808031893 San Salvador Radio Cadena YSU in Spanish 2236 GMT 27 Aug 93*

[News conference by the presidents of Honduras, Guatemala, El Salvador, Costa Rica, and Panama with an unidentified moderator and local and foreign reporters, following the conclusion of a meeting within the framework of the Third Central American Summit, at the Presidency in San Salvador—live]

[Text] [Moderator] Salvadoran President Cristiani has finished reading the declaration containing the agreements that have been reached. The question and answer period will now start.

[Reporter] There is concern among Central American peoples because of the resurgence of violence. Speaking about violence, what specific actions have the presidents adopted at this summit in San Salvador to ensure armed groups will not jeopardize the future tranquility of the people or the democratic process of the region? Also, are you willing to request UN intervention—in other words, the blue helmets to guarantee peace in Central America? Thank you.

[Salvadoran President Alfredo Cristiani] On this occasion, we did not discuss in general terms, or in regional terms, the problem of violence in Central America. We mainly discussed the Nicaraguan problem. The first point condemned violence and terrorism. Thank God this problem was settled satisfactorily yesterday.

The fact that we condemned violence and terrorism in one country means that we would do the same for any other country in the region. As for the specific case at hand, I think we should be interested in it and perhaps should discuss it at the next Central American summit. This was a CA-4 [Central American Group of Four] meeting to discuss the Nicaraguan situation, which worries the entire region. The presidents of Costa Rica and Panama accepted our invitation to attend this meeting. We, however, limited ourselves to discussing the Nicaraguan problem.

As for efforts to deal with violence in Central America, I can give you my personal opinion. Central Americans should bear responsibility for this. We, as Central Americans, will find a solution to this problem. The blue helmets are for other kinds of situations and not for dealing with armed groups that are basically criminal groups. Today in El Salvador, any armed group is considered a group of common criminals and is treated as such, and, in turn, the blue helmets have nothing to do with this.

[Moderator] Jorge Barahona of Teleonce.

[Barahona] Good afternoon. My question is for the president of the Republic of Guatemala. You said this morning there was the possibility, or rather, you said you would purge the Congress and the [Supreme] Court. It was obvious Mr. Jorge Serrano also tried to do this. My question is this: Do you think your attempt could have the same consequences faced by the former president?

[Guatemalan President Ramiro de Leon] No. The answer is no, because the mechanisms the Guatemalan president is using are within the constitutional framework, within the framework of the law, and, obviously, within the democratic framework. I know you want to ask many questions, and given that I discussed this topic briefly this morning, I would like to perhaps give a more general explanation regarding this political issue in Guatemala.

Current developments in Guatemala are a continuation of the process that started on 25 May. In other words, the Guatemalan people, displaying their civic courage and without shedding one drop of blood, restored constitutional and institutional order.

Nevertheless, as of today the people's plea has prevailed; it has persisted; that is, Guatemalan sovereignty demands a purge of the state's institutions. They are asking for the political restructuring of state institutions. In this regard, this morning I said I feel I have total support from the various sectors—religious, private, industrial, the media, and the political parties, as well as from the most remote communities. As president, and as a representative of national unity and in keeping with the Constitution in defense of the nation's dignity, I feel I have the support to request the purge. As of today, I have done this through legal mechanisms.

Meanwhile, the Constitutional Court—the superior branch on constitutional justice matters—issued a ruling following consultations. The court issued a consultative opinion, indicating that the deputies' resignation is completely legal. Based on this opinion, as president of Guatemala, I asked the deputies and the magistrates of the Supreme Court of Justice to present their resignations [words indistinct]. This is part of an ongoing crusade throughout the whole nation to defend the nation's dignity and sovereignty.

I would like to mention that in conjunction with a purged Congress I would then present a plan with a series of constitutional reforms to be approved by that purged Congress. In conclusion, I want to mention that this will occur within the framework of legal mechanisms, and within the constitutional mechanisms I have at my disposal as president—namely, the referendum. In other words, if the deputies do not resign or do not carry out a self-purge of the Congress, and if the justices do not resign, I will immediately make use of the constitutional norms that authorize me to request, through the Supreme Electoral Tribunal, a referendum. In this case it would be the Guatemalan people who would say yes or no to this purge. The way things stand in Guatemala right now, however, we are completely certain they approve. Throughout the entire nation there are T-shirts, public demonstrations, and peaceful demonstrations, and through the media there are programs on this topic.

Moreover, the polls indicate 100 percent of Guatemalans say yes to the purge and to the state's political restructuring.

This is a historical era in Guatemala. Now there is an opportunity for the people's hopes to be fulfilled. These hopes are for change, a restructuring of Guatemala's political structure, a change in society via the combating of corruption. As of now, 63 of 116 deputies have resigned. There are 53 deputies who have not yet resigned. Nevertheless, as I said this morning, we hope that in the coming days these resignations will be forwarded.

Returning to the first question, what I would like to stress is that I, as president, will not make use of mechanisms that are unconstitutional. I also have the support of the international community. It has expressed its support; of course, this is as long as we employ legal mechanisms. I must add that we are not only basing our action on the principle of legality but also on the principle of legitimacy. It is a fact that we are historically changing Guatemala by combating corruption to achieve honest and transparent state institutions. In the case of the executive branch, the purge had already been initiated. The restructuring is almost concluded, and now it is the two other branches' turn.

[Moderator] Ismael Beltran from the newspaper EL DIARIO DE HOY.

[Beltran] This is a question for Honduran President Leonardo Callejas. Recently, weapons caches were found on your territory. We would like to know if you are investigating whether there are more caches, or do you think that there are no more Farabundo Marti National Liberation Front weapons over there?

[Callejas] Obviously we are very concerned with this information that was later confirmed by the UN Observers for El Salvador [Onusal]. Subsequently, Onusal requested permission to visit our nation to destroy the weapons in these caches. We believe there are no other caches. Nevertheless, this basically depends on the information given by those who acted in violation of the basic principle of each nation's rights. In this regard, we have hopes that any information that may come up will be transmitted to us through the corresponding channels—in the case of the weapons caches in Honduras, through Onusal.

[Moderator] A question for Costa Rican President Rafael Angel Calderon by Guillermo Valencia from EL NOTICIERO.

[Valencia] Mr. President Rafael Angel Calderon: Although the agreement on medicines in its second phase takes into consideration nations outside the CA-4, I would like to know if your country will make use of this free trade agreement in its second phase.

[Calderon] The truth is that we already have in force a free trade agreement. Currently, pharmaceutical products manufactured in Costa Rica are sold throughout the region. By the same token we also receive pharmaceutical products, free of taxes, produced in other Central American nations. What the agreement seeks—as far as what we have been able to see today as observers—is to ease the sanitary registration requirements to ease the transit of medicines. I feel that this is part of the progress our nations can achieve. As the months and years pass, we will have unified the requirements that each nation has regarding the sanitation ruling and health ruling requirements. I believe that as Central America progresses in standardizing all the requirements, we will truly ease integration of what we hope for the future—namely, the Central American Group of Six, and not just the CA-4.

[Moderator] Antolin Escobar will ask President Callejas the next question.

[Escobar] With due respect, Mr. President of Honduras, the integration treaties of the northern triangle countries eliminate the collection of border duties and provide for the free passage of people. However, people who travel between Guatemala and Honduras complain that the agreements are not being implemented. What is being done about that?

[Callejas] I hereby assert that no government duties are being charged, with the exception of sales tax, which is difficult for the countries to eliminate because of their legal structures. Any other collection of government duties is being done on a personal basis and is therefore illegal. We will do everything possible to make all pertinent information available through people's reports and a widespread information campaign in the CA-4 agreement signatory countries. In the context of the Amapala meeting, we will continue to either sue or remove every employee or official of the Honduran Government caught making illegal collections.

## Presidents' Statement

*PA2808011593 San Salvador Radio Cadena YSU in Spanish 2217 GMT 27 Aug 93*

[Statement issued by the Central American presidents following the conclusion of a meeting within the framework of the Third Central American Summit at the Presidency in San Salvador, read by Salvadoran President Alfredo Cristiani—live]

[Text] In the name of the Central American presidents, I would first like to read a statement regarding the situation in Nicaragua. Then, because of time limitations, we will briefly summarize the other agreements that have been reached.

This is the statement on Nicaragua: Peace in Central America is singular, integrated, and undivided, and, consequently, any action that disturbs this peace has

repercussions throughout the region and makes it necessary, taking into consideration the principle of nonintervention in a state's internal affairs, for the presidents to take prompt action to help maintain political stability, the state of law, and democratic institutions in Central America. Therefore, to help ensure conditions for consolidating the democratic process within Nicaragua, we, the presidents of Costa Rica, El Salvador, Guatemala, Honduras, and Panama, have decided:

1. To condemn strongly all actions of violence and terrorism that threaten the Nicaraguan people's lives and personal safety, state security, and the stability of the legal government.

2. To express solidarity with and firm support for the efforts by the Government of the Republic of Nicaragua and President Violeta Barrios de Chamorro to find suitable solutions to the country's problems, reaffirming our conviction of the need for absolute respect for democratic laws and institutions.

3. To appeal to Nicaragua's various sectors to take their share of responsibility in the construction of our sister country's future, urging them to reach a national agreement that can help consolidate the political, economic, and social stability that Nicaragua demands. Consequently, we demand the prompt fulfillment of the agreement signed on 21 August between the Nicaraguan Government, the National Opposition Union, and the Sandinist National Liberation Front to remove all obstacles that have impeded institutional, economic, and social normalization, as well as the attainment of the common good in Nicaragua.

4. At the request of the President of Nicaragua, and in accordance with Articles 3, 15, and 17 of the Tegucigalpa Protocol—articles intended to achieve the Central American Integration System's [SICA] objective of turning Central America into a region of peace, freedom, democracy, and development —we have decided to instruct the foreign ministers to help fulfill the Nicaraguan National Agreement.

5. To appeal to the international community to continue to offer Nicaragua the necessary cooperation to consolidate the Nicaraguan family's peace and reconciliation, both of which are necessary for a climate of political and social stability and are essential for the country's general development and its people's well-being.

A delegation of foreign ministers—or representatives of the presidents in case the foreign ministers are unable to travel—will head to Nicaragua on 28 August to talk with the country's various political sectors. Taking advantage of the presence of the presidents of Costa Rica and Panama in this CA-4 [Central American Group of Four] meeting, some agreements were signed that will be regarded as part of the meeting of the overall Central American region.

The main agreement comprises the Central American presidents' decision to approve the protocol of the Central American Integration Treaty at the upcoming summit, which will take place in Guatemala at the end of October.

In light of this objective, these countries established a mechanism by which they can contact the Secretariat of Central American Economic Integration, thereby enabling the secretariat and the SICA to edit the protocol in an effort to have it approved by the economic cabinets that are scheduled to meet on 16 and 17 September. This will be done in an effort to present the completed document at the presidential meeting in October in Guatemala.

There also are the CA-4 Group agreements. In the health field, there is an agreement for the free trade of food and medicine. The free trade on food will go into effect on 1 September, and the trade agreement on medicine will go into effect, in a progressive fashion, as of 1 October 1993. This will be conducted in a gradual manner giving priority attention to medicine produced in our countries. Later, mechanisms will be sought to clear trade relations of products that present special complications, including those that have controlled substances such as drugs and psychotropic substances that require more careful analyses. The third phase calls for the free commerce of medicine produced outside the CA-4 Group.

There was also an agreement to accept as valid the health inspection reports on food and medicine from the country of origin. This means that a health inspection report from Guatemala should be the sole health inspection report necessary for Guatemalan products to be traded in the CA-4 countries, the same being true for the other countries. Also, there was the creation of a regional technical commission to regulate operations as soon as possible.

Still in the health sector, there is an agreement to develop silos in our countries' border areas to improve health conditions in those border regions, which are often somewhat disregarded because they are far away. The silo program will allow health programs in favor of the people of those regions.

In the case of central reserve banks, we reached an agreement to facilitate the financial integration of the Central American countries. So far, this agreement has been signed by Honduras, Nicaragua, and El Salvador, with the expectation that Guatemala and Costa Rica will be signing this agreement. Guatemala and Costa Rica still have to finalize some matters before signing the agreement, but the two have expressed their decision to sign it.

This agreement will allow bank branches to be established in various Central American countries in accordance with certain rules. Also, they will be given treatment equal to that received by national banks and national bank branches in accordance with each country's legislation. In other words, foreign and national banks are to receive equal treatment.

Last, Central American investments are to be facilitated within the financial organizations of other Central American countries.

There also was an agreement on a regional mechanism to clearly define all steps needed for people and vehicles to cross various borders, including people at airports and ports. This mechanism will be presented at the next CA-4 meeting for joint approval, and it will include a massive regional campaign to ensure that both the people and the authorities are absolutely clear on those mechanisms that deal with people and vehicular border traffic. This will, of course, include everything agreed upon until now to the effect that there will not be any special charges for these transfers, except for airport usage charges. No other charges, however, are to be levied for vehicles or individuals at the borders, especially land borders. A unified CA-4 immigration card will be adopted in due course. A prudent timeframe will be allowed in order that the cards already printed can be used up, especially by our countries' airlines. The new format will be standard for all four countries.

Regarding public works ministers, an agreement has been reached on commercial airline policies within our countries, which is basically an open sky policy for our countries' airlines and the possibility to adopt a unified criteria for multilateral relations—in other words, for countries outside the Central American region. This agreement will not be signed today. Instead, a meeting will be held in Panama on 3 September, when efforts will be made to include Panama and Costa Rica in this agreement.

It also was decided to identify transportation infrastructures. This led to an agreement to give this topic priority, because of the program's role in terms of the integration of Central America. Each country is to give these infrastructures priority in its respective investment plans. This primarily focuses on highways, which are mostly marked, especially certain sections, with Central American signs—i.e., CA-1, CA-2, and so on. The public works ministers can display charts that highlight the specific sections of these highways in each of the countries.

Last, an agreement was reached to create a commission to deal with communications with the participation of the presidents of the telecommunications companies in each country. This is intended to come up with a tariff structure, especially for calls between our countries, and for this new tariff structure to benefit users. The main idea is to try to attain a reduced tariff for calls between our countries—a tariff rate less than the current one. This commission also will work with CONTELCA [Central American Telecommunications Confederation], which is the commission that works at the Central American level, to have the countries in the region include this in a final agreement.

In terms of the finance ministers, we are continuing to work on standardizing specific duties, and much headway has already been made. This has to do with liquor, cigarettes, beer, sodas, and so on, as well as the improvement of free trade and the streamlining of border paperwork, especially paperwork that pertains to customs. Last, the economy ministers will hold an economic summit on 16 and 17 September. We expect this meeting to comprise four ministers and to continue to meet on 17 and 18 September to complete work in eliminating all remaining obstacles for the free trade of products among our countries in the CA-4. We also want to coordinate international negotiations—either multilateral or with specific countries.

We also agreed to analyze, as soon as possible, the exports of countries that engage in unfair competition and dumping, for example, to ensure that the region adopts common measures toward countries that engage in such practices.

Finally, two bilateral agreements were signed between Honduras and El Salvador. The first is designed to tap the water resources of the Lempa River along the Salvadoran-Honduran border to produce electricity. The second one is a bilateral agreement to develop what we are calling the transoceanic merchandise transportation project between El Salvador and Honduras, which will mainly deal with ground transportation infrastructure. The goal is to establish facilities for interoceanic transit between Puerto Cortes and the port of La Union.

We were also visited by Central American Parliament representatives who handed us three projects to be analyzed by the countries of the region. One of them pertains mainly to Honduras, Guatemala, and El Salvador. It is a social development program for the Trifinio Region. Another regional project deals with the iodination of salt, and possibly, the addition of the vitaminization of sugar [agregarle la vitaminacion del azucar], as well as a study on labor policy regarding minors to ensure each country will have a framework of reference and will develop labor policies for minors.

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### Chamorro Expected To Meet FSLN

*PA2708224993 San Salvador Radio Cadena YSU in Spanish 2213 GMT 27 Aug 93*

[Report by Boris Celada and Balmore Parada from the Presidency in San Salvador—live]

[Excerpts] [Celada] Nicaraguan President Violeta Chamorro unexpectedly left the Presidency moments ago. Local and foreign journalists at the Jose Martinez Delgado Room of the Presidency at the Salvadoran capital were caught by surprise. [passage omitted]

It was said here that she left because of the serious situation facing Nicaragua. Journalists had planned to ask her many questions, but now they will be unable to, because she left moments ago for her country. The other presidents are now seated at the main table. They are ready to reveal the declaration reached this afternoon. Balmore Parada has more details.

[Parada] Nicaraguan President Chamorro left because she has a meeting scheduled with the Sandinist National Liberation Front [FSLN] and groups that held several officials hostage. It was unofficially confirmed to us that she will meet with a group of Sandinists.

### Caricom Leaders Request NAFTA Parity With Mexico

*FL2708005693 Bridgetown CANA in English 2215 GMT 26 Aug 93*

[Report by Linda Hutchinson]

[text] Port of Spain, Trinidad, Aug 26, CANA—Five Caribbean Community (Caricom) leaders plan to ask United States President Bill Clinton to support a proposal which would temporarily give them and Caribbean Basin nations the same trade concessions which Mexico would receive under the North American Free Trade Agreement (NAFTA), informed sources here reported. The sources said the Caricom proposal which was already in the United States House and Senate was seeking to persuade companies, especially from the United States, which were operating in the Caribbean Basin countries, not to move their operations when NAFTA comes into force.

Prime minister of the Bahamas, Hubert Ingraham, Prime Minister of Jamaica P.J. Patterson, Prime Minister of Barbados Erskine Sandiford, Prime Minister of Trinidad and Tobago Patrick Manning, and the president of Guyana, Dr. Cheddi Jagan, are to meet with Clinton on Monday for a "working lunch."

Caricom leaders have always expressed fear about NAFTA, which involves the United States, Mexico, and Canada, and the effects it would have on trade and foreign investment in the Caribbean countries.

The sources said the leaders plan to put forward the case that without some concessions, whether temporary or otherwise, the region would experience some setback in their economies. The leaders feel that under the arrangement, U.S. textile and apparel manufacturers in the region will want to transfer their business to Mexico.

Caribbean Basin textiles and apparel shipments to the United States last year exceeded U.S.2.5 billion dollars, about one-fourth of the region's total exports to that market. It is estimated that Mexico, under the agreement will get easier U.S. market access than Caribbean countries on goods comprising more than one-thirds of all Caribbean Basin exports to the United States. The source said the meeting with President Clinton would allow the Caribbean leaders to push for support of the proposal which was currently under an administration interagency review.

The bills pending in Congress would allow the Caribbean Basin countries to have trade parity with Mexico for three years, during which time they would be expected to negotiate bilateral free-trade pacts with the United States or to accede to the NAFTA. If they do not, they could lose parity.

Trinidad and Tobago's foreign affairs minister, Ralph Maraj, told CANA on Thursday that he did not know what issues the leaders would be discussing with Clinton.

"I think the heads are going to be meeting among themselves first in Washington, before meeting with the U.S. President," he said. The country's prime minister will leave for the U.S. on Saturday and will be accompanied by ambassador to Caricom, Louis Wiltshire, and a team of protocol officers.

Maraj said discussions would be guided by decisions which the Caricom leaders took at their July summit in The Bahamas.

### Grenada Criticizes U.S. Attempt 'To Divide' Region

*FL2708012893 Bridgetown CANA in English 2224 GMT 26 Aug 93*

[Text] St. George's, Grenada, Aug 26, CANA—Grenada's health minister, Phinsley St. Louis, has hit out

at a decision by United States President Bill Clinton to invite only five Caribbean Community leaders to the White House for talks.

"I want to support Dominica's prime minister (Dame Eugenia Charles) when she said the American Government has invited five heads of government of the region and this is a move to divide the region and create problems for us," St. Louis told reporters. The heads of government of Barbados, Jamaica, Trinidad and Tobago, Guyana, and The Bahamas are going to Washington for talks with Clinton Monday.

Speaking at the launching of the Grenada Trades Centre in the south of the island, St. Louis said the U.S. was looking to attract the larger of the Caribbean countries into the North America Free Trade Agreement (NAFTA). He said if the Americans succeed, the Caribbean will be fragmented and a solid Caricom body will be affected.

"Caricom has been a tight grouping. We have always been able to stand together on issues and now to see this move being made, that will create a gap I think we need to look at," he told reporters.

St. Louis believes the region should look at increasing its production in a bid to enhance import-substitution and self-sufficiency of the region.

## Cuba

### Lezcano Stresses Need To Confront Antisocial Actions

*FL2908222493 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 29 Aug 93*

[Text] One of the main tasks of the Committee for the Defense of the Revolution [CDR] in Havana is to confront crime and antisocial expressions expeditiously. This goal was reiterated at Havana's CDR plenary held in preparation for the Fourth CDR Congress. The plenary discussed certain criminal and antisocial incidents that have taken place in Havana over the past few weeks, particularly following increases in the lengths of power outages; thus, the consensus on the need to reinforce CDR vigilance and quick response at all times of the day in confronting such incidents.

Regarding this top objective, Jorge Lezcano Perez, first secretary of the Communist Party of Cuba in Havana, stressed its importance for a time when the Cuban Revolution is facing its most difficult period.

[Begin recording] Antisocial and disenfranchised individuals [lumpen] are today the bedrock of the counterrevolution. This is something we need to clearly understand. We need to clearly understand that we cannot let the lumpen win the struggle. [end recording]

It was announced at the plenary that the Guanabacoa will host the Fourth CDR Congress in Havana on 26 September.

### Alarcon Meets With Argentine Foreign Minister

*FL2708142593 Havana Radio Rebelde Network in Spanish 0900 GMT 27 Aug 93*

[Text] Ricardo Alarcon de Quesada, president of the National Assembly of the People's Government, met with Argentine Foreign Minister Guido di Tella in Buenos Aires. During their meeting they discussed different aspects of bilateral relations and the international situation. Alarcon also met with former Argentine President Raul Alfonsin, leader of the opposition party Radical Civic Union, as well as with other Argentine political leaders and parliamentarians.

Alarcon arrived in Argentina from Uruguay where he participated in a meeting of the Latin American Parliament.

### Alarcon Concludes Visit

*FL2808015893 Havana Radio Rebelde Network in Spanish 2300 GMT 27 Aug 93*

[Text] Ricardo Alarcon de Quesada, president of the Cuban National Assembly of the People's Government [ANPP], on 27 August concluded a private visit to Argentina, where he talked with several political leaders of that South American nation. On 26 August, Alarcon talked with Senate President Eduardo Menem, brother of the Argentine president. In the meeting, described as cordial, both men advocated increased relations between the two countries' legislative bodies.

Alarcon also met with former Argentine President Raul Alfonsin, leader of the opposition Radical Civic Union, as well as with Foreign Minister Guido di Tella, with whom he discussed current bilateral relations and prospects for the future.

The ANPP president was feted at the Argentine-Cuban Friendship House in Buenos Aires on the evening of 26 August. On that occasion, he praised the solidarity efforts of the Argentines and said his people are well aware of the effort involved and meaning of all gestures of support for our country.

The festivity was attended by politicians, scholars, newsmen, workers, and students linked to activities in support of Cuba.

### Foreign Exchange Revenues Increase

*FL2808022793 Havana Cuba Vision Network in Spanish 2220 GMT 27 Aug 93*

[Bernard Espinosa report from Ciego de Avila]

[Excerpt] Income in foreign exchange from tourism has increased, as have the number of workers who are enjoying tourist installations. Promotion of tourism-related construction and the use of tourism as a means of obtaining foreign exchange for the country are tasks that are advancing in Ciego de Avila.

In the first half of 1993, the province was visited by over 3,000 tourists, mostly Europeans and Canadians. In that period alone, the province obtained twice as much foreign exchange as was received in all 12 months of 1992. This places tourist facilities in Ciego de Avila in a favorable position to quadruple their foreign exchange contribution to the country's economy in 1993.

With the beginning of the first phase of the (Gitard Cayo Coco) Hotel and Villa Cojimar on Cayo Guillermo, the interest of tour operators and travel agents in this budding tourist center has been growing. Proof of this is the increase in contracts for completed rooms and those under construction, as well as the increase in direct flights from Milan and Toronto. [passage omitted]

## Haiti

### Aristide To Install Malval in Washington 30 Aug

*FL2708153893 Port-au-Prince Radio Metropole in French 1045 GMT 27 Aug 93*

[Text] The Haitian prime minister-designate left Port-au-Prince on 27 August to meet with the president-in-exile. According to information from the prime minister's cabinet, Robert Malval is scheduled to be officially installed this Friday [as heard] at the Haitian Embassy in Washington.

The nomination order of Robert Malval should be published soon in the official newspaper of the Republic. Once he returns to Port-au-Prince, Robert Malval should install the members of his government by the beginning of next week. A close source of the government, who wishes to remain anonymous, told us that Prime Minister-designate Robert Malval would not necessarily have his offices in the National Palace.

We have just learned that Haitian Prime Minister-designate Robert Malval will take the oath on Monday 30 August, not today. Several sources close to Jean-Bertrand Aristide have announced that Robert Malval will take the oath on 30 August before President-in-Exile Jean-Bertrand Aristide at the Haitian Embassy in Washington. (Michael Bounds), an adviser to the president-in-exile, stated that Malval wanted to take the oath before his president.

### First Oil Shipment Arrives After UN Ends Embargo

*PA2908041693 Mexico City NOTIMEX in Spanish 0258 GMT 28 Aug 93*

[Text] Port-au-Prince, 28 Aug (NOTIMEX)—Haiti received on 28 August its first oil shipment in the past two months, only 24 hours after the UN lifted an oil embargo it had imposed on the nation to pressure the military into returning to democracy.

A source has reported that the oil shipment arrived so quickly in Haiti because the ship that was transporting the fuel had been sailing near the Caribbean island for several days, waiting for the embargo to be lifted.

The UN ended the oil embargo against Haiti after the Haitian Parliament's 26 August ratification of Robert Malval as prime minister in concordance with the Governors Island agreement of 3 July signed by deposed President Jean Bertrand Aristide and coupist General Raoul Cedras.

### Mission Denounces Increased Human Rights Violations

*FL2708205393 Port-au-Prince Signal FM Radio in French 1400 GMT 27 Aug 93*

[Text] The civilian mission continues to denounce cases of human rights violations and missing persons brought to its attention during recent weeks in the Port-au-Prince region.

Ten people were reported missing in June. The mission collected detailed information on some cases. The victims, were all members of people's organizations, or relatives of members of people's organizations. Phiffner Valery, a member of the National Federation of Haitian Students, was kidnapped on the eve of 20 August in Carrefour Pean by four armed civilians who took him blindfolded to an unknown destination. He was tied up, kicked, beaten with rifle butts, and questioned on his political activities. He was released on 23 August near the former detention center, Fort-Dimanche. Mission doctors observed wounds on various parts of his body. The members of his family, who informed the mission, human rights organizations, and the press, are now victims of intimidation.

Ernst Charles, member of the Peasant Movement of Tete-a-Boeuf Small Church [Mouvement Paysan de Tete-a-Boeuf de Petite Eglise] and of the CGT [General Central of Workers], was kidnapped in Carrefour by seven armed civilians in a pick-up truck. Also taken blindfolded to an unknown destination, he too was tied up and repeatedly beaten while they questioned him on his affiliations. His kidnappers released him on 23 August not far from the military town [not further described]. The members of the mission who met with him noticed that his head had been shaved, he was spitting blood, speaking with difficulty, and there were wounds on his back, behind, and neck, especially [word indistinct].

The mission denounces these serious rights violations of physical integrity and personal security, and believes that the repetition of these practices is aimed at intimidating and terrorizing the members of people's organizations and their relatives. The mission is very concerned about the increased number of people being kidnapped whose fate remains unknown. This concern intensifies with the number of unidentified bodies, which increased in Port-au-Prince from 36 on 11 August to 50 on 25 August. In at least one case, the body belonged to one of the kidnap victims.

It concerns as well the cousin of photographic journalist Claudi Vilme, himself kidnapped on 2 July, (Jacky Delis) kidnapped on 10 July [as heard] by civilians, whose bullet-riddled body was discovered 13 July on National Road #1 near the place called Sources Puantes.

### Police Matters Ministry Recommended

*FL2708222393 Port-au-Prince Radio Metropole in French 1600 GMT 27 Aug 93*

[Excerpt] An OAS human rights mission has just ended its mission in Haiti. Before leaving Port-au-Prince, the 12-member delegation met with the press. Rothschild Francois reports live from the Holiday Inn Hotel:

[Francois] Good afternoon. The human-rights situation in Haiti is disturbing. That is the conclusion of an inter-American commission that is completing an informational visit to Haiti this Friday. Over the course of about a week, the OAS commission met with legislators, Prime Minister Malval, the Army commander in chief, the international civilian mission, and various sectors of Haitian society. According to reports received and victims' testimony, the OAS commission indicates that the rate of human rights violations in Haiti remains quite high.

The members of the commission mention 1,500 deaths from the time of the coup d'etat through the end of last year,

according to reports provided by human rights organizations. The commission also cites 300,000 displaced persons internally, people persecuted by repression. The OAS mission admits a rapid increase in the number of zenglendos [hired thugs], who maintain a climate of terror, especially in the metropolitan area. Quoting testimonials, the mission points out that these groups act with complete impunity. Witnesses also denounced police assistants who receive military support.

The OAS commission for human rights asserts that General Cedras advised that he intended to work on establishing an atmosphere of normalcy in Haiti to facilitate the return of President Aristide on 30 October. The OAS commission also denounced prison conditions, especially in Hinche and Saint-Marc. The commission believes that the advent of a new government should be an important step toward decreasing violations of human rights in Haiti. The commission invites President Aristide to put police matters in the charge of a ministry, and encourages the professionalization of the Haitian Armed Forces. [passage omitted]

## Jamaica

### Caribbean Environmental Media Network Launched

*FL2808020293 Bridgetown CANA in English 2232 GMT 27 Aug 93*

[Text] Kingston, Jamaica, Aug 27, CANA-CERN—A media network covering Caribbean environmental issues, was formally launched here Thursday with a pledge that the body would not become a mere mouthpiece for environmental activists.

The Caribbean Environment Reporters Network (CERN) groups reporters who specialise on the environment and development. Coordinator Terry Ally, a Barbadian newspaper journalist and broadcaster, launched CERN at the annual Caribbean Conservation Congress at the Jamaica Conference Centre.

Ally said although CERN is technically a non-governmental organisation, the issues of environment and development in the Caribbean are just as complex as any other facing the region. This demands that Caribbean journalists be fair, accurate, and impartial, he said.

"So count on CERN to provide more complete, more analytical coverage of the Caribbean landscape—human and physical," Ally declared. "Let the social conscience of the journalist, now informed by training, practice, and experience in the environment, be his guide. He will spot the callous industries polluting lagoons and oceans. He will ask why the goose that lays the golden egg of economic progress is neglected, even killed, by the policymakers. He will look for answers, search for solutions."

Over the next three years, CERN, with support from the University of the West Indies (UWI), the Caribbean Conservation Association and the Caribbean News Agency (CANA), will train reporters and editors in environment reporting and news exchange in the region.

Cana recently started the CERN Greenwire on its wire service which pools news and feature articles form the region, and abroad for all CANA subscribers.

Ally said the network will receive funding and technical assistance from the London-based Panos Institute, an independent policy research and information organisation on sustainable development.

The Caribbean Institute of Mass Communications (Carimac) of the University of the West Indies at Mona, Jamaica, is now working with the reporters group to organise training courses and workshops over the next three years and in preparation for the global Conference on Sustainable Development in Small Islands Developing States which will take place in Barbados in 1994.

### Correction to Fuel Depletion Immobilizes Port-au-Prince

*FL2708123093*

The following correction pertains to the item headlined "Fuel Depletion Immobilizes Port-au-Prince," published in the 27 August Latin America DAILY REPORT, page 6:

Second Column, third paragraph, second sentence, reads... Electricity shortages are also a direct consequence of the depletion of oil supplies... (rewording for clarity)

## PRD Members Said Holding 15 PRI 'Militants' Hostage

*PA2708141993 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 27 Aug 93*

[Text] In Guerrero State, Party of the Democratic Revolution [PRD] members have kidnapped 15 militants of the Institutional Revolutionary Party and are keeping them hostage at the Teloloapan City mayor's office.

The heavily-armed PRD militants are demanding the release of their leader, Pedro Pablo Uriostegui, who is imprisoned at the Almoloya de Juarez penitentiary for possession of illegal firearms.

Guerrero State Governor Ruben Figueroa said that the PRD's action seeks to exert pressure on the government, but he said that the problem will be confronted in an intelligent and calm manner. He added that in Teloloapan there is political decay and that the PRD followers are resorting to violence, which is never a good adviser of democracy.

## Continue Occupation in Nayarit

*PA2808052993 Mexico City XEQ Canal 9 Television Network in Spanish 0200 GMT 28 Aug 93*

[From the "Plenty of News" newscast—live relay by Mexico City XHTV Television Network]

[Text] Several Nayarit State municipalities remain under the control of Party of the Democratic Revolution [PRD] militants who seized them. The situation has not changed.

The offices of the mayors of five municipalities and a delegation office remain in the hands of PRD leaders and militants. The mayorships under the control of PRD militants are those of Acaponeta, Tecuala, Tuxpan, Santiago, and Tepic. The delegation office of Villa Hidalgo is also under PRD control. The PRD militants have set up roadblocks on the streets leading to the buildings.

The Electoral Council has begun working on the elections results of 11 of 20 municipal governments. The session took place amid heated arguments between Institutional Revolutionary Party [PRI] and PRD militants. The PRD militants presented a package containing 60 ballots they reportedly picked up at the municipal dump in Acaponeta, which they said proved that irregularities were committed in the 4 July elections.

The 21 PRI deputies, however, have continued endorsing the results of the mayoral elections, and for this reason eight opposition deputies left the legislative building where the session was held.

## One Killed in Confrontation

*PA2908172193 Paris AFP in Spanish 1627 GMT 29 Aug 93*

[Text] Mexico City, 29 Aug (AFP)—Newspapers reported today that one person was killed in a confrontation between a policeman and a group of government opponents who for the past four days have been holding hostage six members of the ruling Institutional Revolutionary Party (PRI) in the town hall of Teloloapan, southern Guerrero State.

The confrontation occurred on 28 August when a group of supporters of the Party of the Democratic Revolution (PRD) tried to seize a submachine gun and a rifle from a policeman who, trying to defend himself, killed Julio Altamirano Valladares.

The PRD members seized the municipal building in Teloloapan (180 km south of Mexico City) on the night of 25 August to demand the release of Pedro Uriostegui, their leader and former municipal president who was arrested in July on various charges, including possession of illegal firearms.

After the death of Altamirano Valladares, "enraged" PRD members took the six hostages to Teloloapan's public plaza to "exhibit" them and threatened to "shoot them if Uriostegui is not freed," the newspaper EXCELSIOR reported.

The town is under guard by dozens of policemen, who have been posted two blocks from the Teloloapan municipal building.

## Deputies Continue Debates on Electoral Amendments

*PA2808183593 Mexico City XEQ Canal 9 Television Network in Spanish 0200 GMT 28 Aug 93*

[Report by Juan Jose Prado; from the "Plenty of News" newscast; live relay by XHTV Television Network]

[Text] The plenum of the Chamber of Deputies is debating a package of constitutional amendments on electoral matters. Here are the latest developments: The Chamber of Deputies tonight approved returning to the Government Committee for further study a report on the amendment of the first part of Article 82 of the Constitution. The amendment would allow Mexican citizens who are the offspring of foreign parents to run for president.

The Chamber of Deputies also approved unanimously to return to said Committee for further in-depth study the matters pertaining to the temporary article that stated the amendments of the first part of Article 82 would enter into force in 2000. In addition, the lawmakers returned to the Government Committee the proposal by the Popular Socialist Party [PPS] to leave untouched the current content of Article 82.

Institutional Revolutionary Party [PRI] Deputy Francisco Aroyo had proposed earlier that the new text of said part of Article 82 read as follows: To be a candidate for president a person must be Mexican by birth, be in full use of his rights, be the son of a Mexican mother or father, or have lived in the country for 30 years. The text being returned to the Committee for further study did not mention the presidential candidate has to live 30 years in the country.

Deputy Maria de los Angeles Moreno, chairwoman of the Grand Committee of the Chamber of Deputies, stated a few minutes ago that the full chamber will debate matters regarding Article 82 during this extraordinary period of sessions. Meanwhile, the Chamber of Deputies is debating the package of constitutional electoral amendments that we referred to earlier. We can say the session will be a lengthy one, as many political parties have set aside different articles and proposals for further debate. The debate will last the entire night. We want to say the political parties have set aside certain articles for more in-depth debates. The PRI has set aside Article 54; National Action Party, Article 56; Party of the Democratic Revolution, Articles 54, 56, 60, 63, 74, and 100; Cardenist Front for National Reconstruction Party, all seven articles involved; Authentic Party of the Mexican Revolution, Article 54; and the PPS has also has set aside all the articles of the electoral reform package. We will continue to report throughout the night until the articles are approved.

[Anchorwoman Lolita Ayala] How may articles of this package have been debated already?

[Prado] So far, Article 41 has been debated. The deputies are working on Article 54.

[Ayala] They have a long way to go.

[Prado] Yes. We expect.... [pauses] The session began at 1200 approximately. The debates on Article 41 concluded at around 1830. So we expect the session at the San Lazaro Legislative Palace will be a lengthy and exhausting one. We must also note these are constitutional amendments that will radically change the country's historical and political course and require this careful review.

## El Salvador

### Cristiani TCS Anniversary Interview

*PA2708144993 San Salvador TCS Television Network in Spanish 1300 GMT 24 Aug 93*

[Interview with President Alfredo Cristiani by Ricardo Chavarria and Gisela Bodewing at the Channel 6 Television studio in San Salvador on the "Face to Face" program—live]

[Text] [Chavarria] It is 0705 and we begin the "Face to Face" program. On this occasion, when we commemorate our sixth anniversary, we have the presence of his excellency the president of the Republic, Dr. Alfredo Cristiani, whom we thank for participating in our program. Good morning.

[Cristiani] Good morning to you and congratulations on celebrating six years of working in the information business, forming opinions in our country and consolidating our democratic process. Sincere congratulations to all the TCS news family.

[Bodewing] Thank you.

[Chavarria] Thank you, Mr. President. We have various topics for this morning, but perhaps we should begin with the events in Nicaragua. We have information that more hostages were released yesterday and early this morning. Cardinal [Miguel Obando y Bravo] will possibly mediate to facilitate the hostages' release. Nevertheless, there were pictures that showed Alfredo Cesar being used as a human shield to prevent any type of military action. We understand you have a meeting scheduled with the other presidents tomorrow in Costa Rica.

[Cristiani] Yes, we will travel to Costa Rica. The trip had initially been planned to talk with the president of that country concerning the signing of an economic integration protocol. It will be signed at the next presidential summit in Guatemala. However, given the crisis in Nicaragua, we believe it is necessary to analyze the situation and the possibility—if the Nicaraguan Government wishes—of having the other Central American countries help solve a crisis that is truly senseless.

[Bodewing] Will El Salvador take a proposal to solve the current situation in Nicaragua?

[Cristiani] It is very difficult to take a predetermined position because I do not believe that we have all the information. We only have partial information. We would have to talk directly to Dona Violeta so she can tell us what the real reasons are for the conflict and its possible solutions. We, however, have to respect Nicaraguan sovereignty and cannot act or present solutions without having been invited to do so by the Nicaraguan Government.

[Chavarria] Is there a possibility that El Salvador will serve as mediator to further the departure of people directly involved in the conflict, such as Pedrito El Hondureno [Peasant-Worker Revolutionary Front leader Victor Manuel Gallego Hernandez] and El Chacal [Jose Angel Talavera]. [Words indistinct] Costa Rica is usually the one that gives this type of help. Are you willing to mediate?

[Cristiani] We are always willing to help all the countries in Central America. I repeat, however, that we would have to be invited to do so. We will not act without receiving a request from the Nicaraguan Government. Also, we would require the Nicaraguan Government's permission if one of the parties in the conflict requested our help. Thus, our answer is yes, we would be willing to help. We believe we cannot afford to lose Central American stability. It has cost us many lives and sacrifices to reach an acceptable level of stability in the region. I, thus, believe we all have to help resolve any crisis that may arise. Of course, this will always depend on whether the country with the conflict accepts the help of other countries.

[Chavarria] Will Dona Violeta be present tomorrow?

[Cristiani] No, she will not be present. I believe it is very difficult for her to leave the country at this time because she has to be close at hand to follow all the events in her country. The telephone, however, allows for such good communications that it would practically be as if she were present.

[Bodewing] Will a Nicaraguan Government representative be present at the Central American president's meeting?

[Cristiani] I do not know if one has been invited. I really do not know, but I believe none will be present.

[Chavarria] One more question on the topic and it refers to the possibility that the Nicaraguan problem continues. We have information from Manuel Espinosa at Extravision who reported that the problem could be solved today but it could also continue a week or more. If the problem continues, what would happen to the presidents' meeting?

[Cristiani] There are two possibilities if such a situation arises. The ministers who participate in those meetings are not ministers who handle political crisis. Perhaps the ministers would be able to attend if Dona Violeta is unable to do so. If, however, she asks that the meeting be postponed due to the crisis—this is the most logical solution—we would wait for her to settle her problem and then hold the meeting.

The meeting is not urgent and we could delay it a week or two or for however long it takes to solve the crisis, if she wants it this way. She can also send a representative and we would hold the meeting. We will await her decision. I believe those are decisions that she will have to make, possibly on Thursday, after she studies the

seriousness of the crisis and decides if it is convenient for her to leave the country at this time. We would be willing to postpone the meeting.

[Chavarria] The Santa Rosa [arms cache] explosion has also negatively affected the region. A few days ago, a Nicaraguan presidential delegation, headed by Antonio Lacayo, [words indistinct] and we also saw Salvadoran people, for example, you and the state intelligence organization representative were present. How did the investigation end? Could you give me details of your conversation with Antonio Lacayo, specifically in regard to the passports that are associated to the World Trade Center attack?

[Cristiani] As you well know, this case has affected both Nicaragua and especially El Salvador; regardless of the fact that it also had an impact on other countries because of what was found in the Santa Rosa cache—especially the documentation—because it indicates the existence of a network of international terrorists dedicated mainly to kidnap activities. For us this has had an effect on the peace process. The FMLN [Farabundo Marti National Liberation Front] lied last year when it said that it had turned in all its weapons when it still had a substantial amount—enough weapons to restructure the FMLN's military section. This affects the credibility of the peace process. Nevertheless, this incident somehow is being resolved because Onusal [UN Observer for El Salvador] has made a big effort to try to get the FMLN to hand over the weapons that it had failed to declare last year. The result was that a significant amount of weapons were collected, even inside El Salvador, which the FMLN had not turned in when it should have.

In the case of Nicaragua, the effect has been different in view of the fact that these types of international terrorist networks used Nicaragua as a base. This raises doubts as to why Nicaragua has allowed this to take place inside their country. A unique situation has arisen in Nicaragua, which is very complex, and this is one of the topics the Nicaraguan mission was to discuss here in El Salvador. Mrs. Chamorro said that they have the political resolve to fully investigate the situation in Nicaragua; not only the investigation itself on what the Santa Rosa cache contained, including the documentation, but who is responsible for something such as this taking place without anyone saying anything, only to be discovered through an accidental explosion.

She also wanted to say that she is willing for permanent cooperation with the Salvadoran authorities, which can supply additional information, and once we analyze the documentation found in Santa Rosa, additional tips can help guide the information toward the culprits, not only those directly responsible, but, I repeat, those who are involved in this international network that has many countries worried. The U.S. reaction was to cut aid to Nicaragua because a link was found between the twin tower explosion in New York through the Nicaraguan passports.

These passports were obviously fake but were indeed Nicaraguan passports, that is, they were issued in Nicaragua, and it is presumed terrorist groups are behind this situation.

[Bodewing] What is your view on the statements by the vice president that arms allegedly belonging to the FMLN have been found in Guatemala?

[Cristiani] We have exchanged information with Guatemalan authorities and indeed some arms seized from the Guatemalan guerrillas by the Army have shown they have serial numbers similar to weapons the FMLN had here in El Salvador. This indicates that arms have been smuggled from El Salvador into Guatemala.

We maintain permanent communication with our neighboring countries, namely Guatemala, Honduras, and Nicaragua, to follow up on intelligence reports so as to detect arms caches and destroy those weapons. I think all countries are cooperating to achieve that end, because no one wants the region to become an arms market. These weapons can be used indiscriminately for guerrilla activities in our countries. These weapons may also be sold to drug traffickers, terrorists, or any violent group to make a profit. This has moved all countries to cooperate to try to find more arms caches in any of our countries.

[Bodewing] If arms caches were found in Guatemala, for instance, what would the country's position be particularly after it was said—following the presentation of weapons to Onusal and Onusal's final certification—that the persons having arms would be considered common criminals? What would happen to the arms caches?

[Cristiani] Well, we will act according to our laws and will consider those who have arms in their possession common criminals. We will not only go after those guarding said arms, but will carry out an investigation to determine who is responsible for storing the weapons. An investigation following the discovery of a weapons cache in Guatemala which could be linked to the FMLN, to give you an example, would represent an offense of weapons trafficking, if confirmed. This would also be a crime in El Salvador for trafficking weapons. In Guatemala, there would be a crime for the possession of weapons. In other words, one could act according to the law in both countries.

It would be much easier if weapons were found in our country. If so, we would act according to the law and would send those responsible to stand trial as common criminals.

[Chavarria] What institution would be responsible for following up on this weapons deal? A short time ago, a member of an institute, Dr. Salgado, spoke of places where some weapons and armed foreigners could be hiding. Who is responsible for checking on this? Are the National Civilian Police [PNC] responsible in the regions where they have been deployed? Or are the Armed Forces responsible?

[Cristiani] The public security corps is. The Constitution says that the Armed Forces are responsible for watching and following up on arsenals—all the weapons that are brought into the country. However, with the implementation of new regulations, this now is a matter to be handled by the Public Force and therefore the PNC or the National Police, depending on in what department an arsenal may be found, will handle this matter.

[Bodewing] What role will Onusal play in all this? Ramiro Ocampo has said that possession of weapons will be treated as a common crime, thus agreeing with Shafik Handal. Do you think it was correct for Onusal to say this, or do you think Onusal should continue with its verification work? What have they told you?

[Cristiani] Onusal is responsible for verifying compliance with the agreements. I think that if a few weapons are found and laws are applied, it would be correct to treat such cases as common crimes. However, if we were to find a series of arms caches containing a significant number of weapons, then the United Nations would have to reconsider its affirmation that the FMLN's military structure has been dismantled.

My opinion is that Onusal has destroyed a significant number of weapons. The Onusal report does not say that all the weapons have been taken in. It says that the FMLN's military structure is dismantled. This means that it is possible that a certain number of weapons may still be found and that persons found in possession of such weapons would be treated as common criminals.

[Bodewing] The FMLN is saying that there is much noise about this weapons matter. It has said that future weapons discoveries are common crime matters. This is why the Army and the Armed Forces should issue a communique reporting the location of the weapons seized from the FMLN. A short while ago, the political commission of the FPL [People's Liberation Forces] issued a list of the weapons they were able to register during the conflict. They say that the list includes weapons that belonged to soldiers who sold them to civilians.

[Cristiani] We know of the weapons that were seized from the FMLN during the conflict. The Armed Forces have an inventory on seized weapons that are in store, let us say. There are weapons that have been used because they are functioning, especially the M-16 rifles, the type of U.S. weapon that the Armed Forces use. Those weapons were supplied to Army units, but they are under the control of the Armed Forces Joint Staff. We are not going to destroy those weapons.

[Bodewing] What will be done with those weapons?

[Cristiani] Many of them were restored and made functional and then delivered to members of the Armed Forces, that is, to soldiers for their own use. This represents a savings, to a certain extent, for the Armed Forces because these are rifles they will not have to buy. Many of the weapons seized from the FMLN are U.S.-made, practically the same kind of weapons that the Armed Forces use. It is only in recent years that Soviet weapons such as the AK-47 began arriving.

The Armed Forces are a legal institution. We have no reason for disarming the Armed Forces. These are weapons they seized and if the weapons are functional, they are going to use them. This is normal in any Armed Forces. The weapons are under control and will remain under control. This can bring no repercussion. It has no special significance. They are saying that if we find a cache we may use previously seized weapons to say: Here are more weapons. We are not interested in that. We are not interested in making the FMLN look bad. They look bad because of their own actions, and if we find weapons, they belong to them. We are not going to plant weapons and charge: Here is an arms cache!

[Chavarria] It has been charged that the failure to speed up the collection of weapons used by the Armed Forces means noncompliance with the peace agreements.

[Cristiani] This is totally false. Onusal has verified the activities of the Armed Forces and considers these activities and the collection of weapons under their control concluded.

The National Commission for Consolidation of Peace [Copaz] has been holding to some bills that have much to do with this collection of war weapons used by the Armed Forces and for this reason the Legislative Assembly has not passed the necessary laws to implement this. We must take into consideration the fact that common criminals have weapons and that there are persons who during the conflict acquired weapons for their personal security. Criminals will not voluntarily surrender their weapons, and common citizens are still afraid because of the high crime rate in the country. While it is true that there is no terrorist violence, there is still violence and many feel more secure having a weapon. Crime is being fought and weapons are being seized. The PNC and the National Police have seized many weapons from criminals.

These weapons are being turned in and this is being monitored by Onusal. With regard to the other weapons, we will have to implement a law and the security corps will have to seize illegally possessed weapons in the country.

These weapons are not being used to secure political objectives. This is the difference in the weapons that the FMLN could be hiding. The weapons used by criminals are defensive. The FMLN weapons were offensive weapons. The FMLN maintained an aggressive military operation. I think the FMLN is trying to find similarities. Like saying, we are not the only bad guy who hides weapons. They are always looking for a scapegoat to blame so that there are comparable charges.

The problem is that the FMLN signed the peace agreement and said that it would voluntarily turn in all its

weapons. So it cannot come up with the excuse that criminals don't turn in weapons. Criminals did not sign the agreement and are not interested in turning in their weapons. This is a different situation. As far as the Armed Forces commitment goes, Onusal considers that finished.

[Chavarria] Crime is a matter of much concern for the Salvadoran people. I would like to go further into this subject, Mr. President. The Government recently implemented a plan to fight crime. Many believe that this plan is not working. How is the plan doing? What have been the results, considering that some believe that the crime rate has increased.

[Cristiani] We believe that the solution to the crime problem is not easy. In the first place, when you look at the root of what is happening, you find that it is a highly complex problem. We have just gone through an armed conflict, so ours is a culture of violence. The economic regression that occurred during the years of the war cannot be solved in a year or two. The country, then, must begin a development process that can absorb all these people and allow them to earn an honest living, without having to turn to crime. Then there are such complicated issues as the gangs. This is just the peace culture mixed with things brought in from abroad. In part it could probably be the things many youths are exposed to in Los Angeles, where there are so many of these gangs of school-aged youths that go on to adopt this as a lifestyle and commit crimes. So you see the root of the problem is very complex.

There is also the problem, arising from the peace agreements, that call for the renewal of the whole public security apparatus throughout the country. What this means is an immediate reduction of the 16,000 persons tasked with public security duties, to 6,700, which used to be the National Police total. The PNC is preparing new policemen at the Public Security Academy quite quickly, you must understand that six months is not really enough for a complete course to prepare a policeman. It takes one or two full years in some countries. The idea, however, is to get new public security agents out onto the streets. There is, then, a problem that has several complicated causes and we do not have the proper tools to face this at this time. As a matter of fact, this is a multisector effort. The Inter-Institutional Commission To Prevent and Combat Crime has tried to get the Supreme Court, the Attorney General's Office, and the Executive Branch to try and find more effective ways of truly fighting crime. This means that a criminal, who is caught, should receive the appropriate punishment. The commission seeks cooperation or a coincidence of objectives among these bodies.

Although statistics indicate that there is a very serious crime rate and we must continue to make major efforts in this area, I do not see any indication in those statistics that it is getting worse.

[Chavarria] Who draws up the statistics? Every Monday, we receive reports from the Rescue Command, the Salvadoran Red Cross, and even from the National Police about the theft of vehicles. We also get telephone calls which do not give that impression. That is also the case with reports by the Red Cross, which we can say is an independent institution, the Green Cross, and other organizations.

[Cristiani] Our statistics take not only that into consideration. We also have the reports from the security organizations, the PNC, and the National Police in their respective areas of responsibility. In addition, we have such figures as the reports filed at the Supreme Court of Justice. As you know, there is an office there that receives reports on crimes. Therefore, the statistics do not come from a single source but several sources. When the crime is reported to the Red Cross or another rescue organization, it is because there is an injury and someone needs medical attention. Not all crimes cause injuries. Someone can have his car stolen and not be injured. That individual does not go to the Red Cross but goes to the National Police or the PNC to report his car stolen. It could be that the statistics of the rescue organizations are showing that criminals are getting more violent and that more people are getting injured in criminal actions. But this does not necessarily have anything to do with the total number of actions. The statistics on stolen cars also come from the insurance companies, which have quite reliable records. These do not indicate that car thefts have increased in the country. I do not think the issue is to fight over who has the best statistics. The fact is that crime is a problem in the country. But here I wanted to....

[Chavarria, interrupting] Isn't the government trying to minimize the situation? On Friday, the ANEP [National Association of Private Enterprise] issued a communique expressing its deep concern about crime, particularly kidnappings, which are being committed again, especially in the eastern part of the country.

[Cristiani] What I wanted to say is that, for me, the statistics are not the important thing. The important thing is that the levels of crime that exist are intolerable for a society. We should not feel unconcerned because the problem is a nearly worldwide one. One sees that in the rest of the world crime has become a very serious problem. Recently, a person who lives near Washington, in Maryland, said that he felt safer in San Salvador than in Washington, especially in some areas of that city. But we do not want to use this as an excuse. We have to attack the problem. The problem is not only the responsibility of the government's security organizations. I think it is a national problem and we should all contribute to make the fight against crime effective.

[Bodewing] How does the government think citizens can cooperate to fight crime in their own communities?

[Cristiani] Well, I think that, many times, criminals can be identified in their own communities. Citizens can cooperate with security organizations by identifying

them. There are mechanisms to keep the source of the information secret so the citizen will suffer no repercussions. It is important that we clarify that the fight against crime does not end with the simple arrest of the criminal by the public security institution because it can only hold him for 72 hours.

Then, that person has to undergo a legal process. We have noticed that often the victim has no intention of testifying or to declare himself the victim or point to or accuse the person responsible. If one looks at the arrest statistics, and that is where we can gauge the effectiveness of the security corps, or the lack of it, the figures indicate that although this corps is not efficient all of the time the rate of arrests or rate of activity against crime is rising. If we see the statistics of those who wind up in jail, we realize that 70 or 80 percent of the offenders are released. Many times, more often than not, it is because nobody comes forth to testify this person stole from me or harmed me in some way.

In sum, fighting crime does not mean making arrests and letting those persons walk out 72 hours later. It means being able to keep them in jail to serve a sentence of one, two, three, five, or 30 years, depending on the offense.

[Bodewing] [Words indistinct] are the country's jails capable of holding all the offenders who may end up there?

[Chavarria] [Words indistinct] little credibility in the country's Judicial Branch?

[Cristiani] I do not want to pin the blame on the failure to press charges. Fear is, of course, the main problem. People are afraid that if the accused is not jailed they may face reprisals. We must face this fact at some point. Let us suppose the police, the National Civilian Police, PNC, reach an excellent arrest rate—I said we will break even when we have 10,000 or 15,000 policemen—and the arrested are held 72 hours in the police precincts and are released, this causes a problem for the police. The police take a risk in capturing an offender. The offender, in turn, becomes hostile against his captors. If the offender is released 72 hours later we have to think also about the morale in the police ranks.

They are going to be arresting people who will be released 72 hours later. The offender is very likely to go after the policeman for capturing him. If we analyze the whole problem, I seems to me the only conclusion we can reach is that this must be an effort by all of us. Just as the people came out from under the bullets of the FMLN in 1982 to vote because they wanted our country to be democratic, they came out facing a risk.... [pauses] This is a national problem, this is a worldwide problem that is also hurting us. I think every person must do his share to fight crime in our own sphere. I am in no way trying to eschew the responsibility the state must bear in this case. We must fight crime better and we will continue to conduct more operations as more PNC agents are deployed. As we can further concentrate the police effort, we will have more instruments to act more forcefully. Then, of course, we have the preventive patrolling by the Armed Forces.

[Bodewing] [Words indistinct] the Armed Forces. The deployment of the Armed Forces to patrol the streets was strongly criticized. Has it worked?

[Cristiani] Perhaps, we should explain what caused so much criticism. I get the impression the vast majority of the people did not criticize the measure, but the opposition and leftist sectors did. They are used to criticizing everything and always seeing an evil purpose to everything because of their way of thinking. They always think ill of what others do. I think the vast majority of the people supported the preventive patrols, which provided security on the highways. I really feel crime and holdups have decreased noticeably on the roads we are patrolling. We also receive letters from people, some neighborhoods, and rural areas conveying their thanks because crime has decreased noticeably in their areas.

This is not the only and permanent solution. I think that once lawbreakers see they cannot operate in a certain area they will seek a place where there is less protection and is easier to commit their crimes. This is part of an effort within a process. We will continue to strive to eradicate or minimize crime.

[Chavarria] At this point of the interview I have tried to focus on, as we discussed yesterday, the problem of the region [as heard], compliance with the peace accords, and stability as far as public security or the security of citizens is concerned, which is perhaps the thing the people most yearned for during the war. Time is going fast and now we want to move on to another topic.

Although this government is credited with being mostly responsible for reaching peace accords with other sectors, the topic of the economy or the handling of the country's economy did not yield the results most people expected, according to some, mainly the opposition. Economic growth has always been based on weak pillars such as remittances sent by relatives from abroad and foreign aid. The structural ("adjustment") did not reach the neediest, as promised.

[Cristiani] Logically, the opposition always criticizes, and criticizing is certainly easy. Facing the facts and problems and trying to resolve them is much more difficult. Let us see what is happening in our country, chiefly in the 1980's. The conflict generated by the FMLN and the economic policies generated by the Christian Democratic administration made the country revert to 1960's levels. In 1989, we found the economy was distorted in all macroeconomic aspects, namely, in the monetary, fiscal, and tariff aspects. Everywhere you looked we had a serious problem. Family remittances existed, and U.S. aid was greater than what we have received as a government. In sum, it cannot be said we had two elements that did not exist in the past. On the contrary, that administration received more aid from the United States than we have, chiefly on economic matters.

In analyzing the economic situation, we certainly received a patient, a patient in very critical condition, and therefore, we had to do something. As we once said, we had to perform major surgery, or administer something to ease the pain knowing that the patient would, eventually, die. In the case of the economy, it would be chaotic.

We could see that inflation rates had increased since 1989. While the inflation rate in 1980 was very low, it was almost 30 percent in 1988. This meant that an inflation process had begun in our country, and unless drastic measures were taken, unless the patient underwent major surgery, the situation would get out of control. We know how this affected the economies in other countries. In the case of Nicaragua, for example, the yearly inflation rate reached more than 1,000 percent. In countries like Brazil, Argentina, the inflation rate is 1,000 percent per month. In other words, prices are exorbitant, people have to pay 10 times more for a product each month.

The government efforts, known as a structural adjustment plan, is not really an economic policy, it simply outlines the mechanisms that must be adopted to operate on the patient. In other words, the normal procedures that must be followed to operate on the patient so he can get well. The structural adjustment seeks to bring the economy to stable levels, eliminate economic distortions so there will be no more deficit problems, distortions in the exchange rates, interest rates. In sum, using a term I think was used some time ago, the idea is to have a fair economy. In other words, we should pay the just price for things. We should not lie or go blind, paying less or more than the true value.

The government's initial efforts were aimed at stabilizing the economy and correcting all those faults we found in the economy. At the same time, we started promoting development not for a year or two, but a process for sustained development, which is always a healthier process. No country will do well if its development suddenly registers 50 percent growth. Most likely, it will have very serious economic problems the following year. If we can manage to maintain a yearly economic growth of 5 to 8 percent, which is much higher than the country's population growth, the country will experience sustained development. Gradually, because no one is a magician and no one can resolve all the economic and social problems from one year to the other; if anyone knows I would like to know, we must implement a development process.

Here in El Salvador, we have ended the armed conflict in order to create the necessary conditions for sustained development. We should, however, look at what happens to economic policies generally promoted by leftist governments. During the armed conflict, the economic growth was negative under Christian Democratic governments, although they received more foreign aid. In other words, we were going backwards. We can mention policies similar to the ones that the FMLN or the Democratic Convergence [CD] would defend. Those organizations have an affinity for the Sandinist National Liberation Front [FSLN]. What happened in Nicaragua under the economic policies promoted by the FSLN? The economy went backwards. Although the Salvadoran conflict ended in 1992, the country registered the first positive growth of 3.5 percent in 1990, and we have continued to have economic growth each year.

There has been a lot of criticism in the sense that we have supported a stagnant economy [economia de rebalse]. That is absolutely false. We can show that we have made more social investments during this period than any other government. We have done this despite the great resources that the peace process has demanded, as the implementation of the agreements costs more than 1 billion colones a year. This has a serious impact on public finances, and of course reduces the government's investment capacity. Nonetheless, we have developed plans such as the National Family Secretariat, which has established more than 400 community banks in 400 different communities. We also implemented a food distribution program. We created the Social Investment Fund, which will invest approximately 900 million colones in social projects, with very low administrative costs compared to the central government, where administrative costs are very high. Practically 80 percent of the national budget covers the salaries of public employees. There is not very much left for investments in the country's regular budget. Nevertheless, there have been social investments. We must note that, according to Social Security statistics, there has been a 30-percent increase in the number of members, which means that there has also been a 30 percent increase in the number of workers in the private sector who pay Social Security quotas. In sum, there was a crisis, the situation was unstable. We have overcome the crisis, and the country is currently in a process of sustained development.

[Chavarria] Many sectors have accepted the structural adjustments, and there seems to be a similarity in the economic platforms presented by political parties for the 1994 elections. The trend seems to be continuing many of the policies adopted by the current government. Nevertheless, statistics from the Planning Department confirm the theory of a stagnant economy. For example, the levels of poverty did not drop, but increased. In other words, the economic adjustment plan and the economic growth did not benefit the poorest sectors.

[Cristiani] Well, I think we must see this within the framework of time. Unfortunately, structural adjustments affected us all, because as I said, the structural adjustment plan is not the economic policy. The government's economic policy is based on social market economy, which means that the government will not directly participate in the economy and will only act as a regulator and a subsidizer. In other words, when the private sector cannot produce or supply a necessary product, the state must necessarily act. That is our economic policy.

Structural adjustments are simply procedures to operate on a sick patient. This is not an ideological stance. In Latin America, for example, a Peronist government in Argentina, socialist governments in Venezuela and Bolivia, cannot be described as rightist governments as the government of the Nationalist Republica [illegible]liance, ARENA, which is a conservative party. In [illegible]ose countries, however, we see that the structural adjustments call for taking the same measures. So you see, it is just a procedure.

Now, in the economic policy, the first step the economy must take is increasing its savings in order to be able to grow. There is no growth without savings. We must begin somewhere. Some time or another we must create the necessary conditions to turn savings into investments. If conditions are good for investment, someone who has a share worth 1,000 colones may want to establish a small enterprise. That is one kind of investment. The owner of that small enterprise may have to hire someone to work in production, packing, or some other activity. That is how the economy works. We must, however, create the necessary incentives for investment. There is no economic growth without investments. So the first step is promoting investments and it seems that only one sector is receiving the benefits, which is not true. What happens is that everything takes time. We cannot have everything at once. We cannot expect a company to hire workers until it is actually functioning. Therefore, the company must start operating first, and then that company will be able to hire employees. Employment is the quickest way to overcome extreme poverty. What the country needs is that we continue to create the necessary conditions, the right conditions so people will have confidence in the country's economy; so people will feel confident no one will confiscate their long-term investments. If we do that, we will increase the employment levels.

Those are basic guidelines to overcome extreme poverty through employment. Of course that is not all we can do. We can increase credits to independent workers or small businessmen. Community banks can be the means for people not necessarily waiting for a job opportunity, but to obtain credits. In that manner, someone can become a tailor or engage in some activity to support his family. There is also the bank of the [words indistinct] workers for the strengthening of [words indistinct], and I repeat, the Social Development Fund. If one counts all the projects financed by the Social Development Fund, we will not only see the final results that can be a health clinic or a class room, but to arrive at this, several persons held jobs and for a period of time they received an income. That is, what must be generated is growth and for growth there must be investments. If there is no investment, there is no growth.

[Chavarria] There is practically only four months before the end of the year. What is the inflation rate and the growth rate compared to last year?

[Cristiani] We concluded last year with a 19.7 percent....

[Chavarria, interrupting] [Words indistinct]

[Cristiani] This was from January to December, that is the inflation accumulated during the year. This year, the goal is 12-percent inflation and currently we are within the goal. Unfortunately, due to very special circumstances a product such as beans rose considerably due to the shortage in the region and on the informal markets that move the cereals from one place to the other. In Honduras and Nicaragua the price of beans also shot up considerably. Guatemala is fortunate because it consumes black beans that has a much lower price on the international market than the red bean.

Our people mainly consume red beans, except for some regions in the western part of the country. Red beans are scarce at the world level. This is a difficult situation similar to the one we experienced during the 1980's. When the production of beans in the country is not enough, it is very difficult to obtain beans abroad. Another problem is the climate affecting the tomato crop.

The aforementioned products have a great deal of importance on the basic market basket, that is inflation. Inflation will be affected more if bean prices go up or down than if the price of a soccer ball goes up or down, for instance. However, we are still within the 12-percent target inflation. We have cut inflation from 19 percent to 12 percent this year.

The problem last year, if you remember inflation for 1991 was 9.5 percent, namely less than 10 percent, was that the peace agreements required large resources for their implementation. In the measure that a government spends more than what it has, it pressures prices to rise because it is printing money. This is what occurred in 1992 and this is why the inflation index trend was reversed. It was a special year. In our belief, it was much more important to consolidate the peace process in El Salvador than think if inflation was going to grow one year. Obviously, despite the fact that inflation occurred, we must not forget it was offset with the wage increases decreed at the beginning of the year. I would say that inflation was more than offset in some cases.

[Chavarria] Mr. President, I have a penultimate question for you. Regarding the state administration under your direction, one of the topics commonly mentioned, I think that there were many problems, by the Christian Democratic Party [PDC] was corruption. You formed a Anticorruption Commission and so far, at least publicly, no results have been seen. The PDC reported that several cases of corruption existed in such government agencies as CEL [Lempa River Hydroelectric Executive Commission], Conara [National Commission for Reconstruction], and the Social Security Fund. We do not know if they presented evidence on this, but the report was made and you appointed a commission. When are we going to see the results of the commission appointed to fight corruption, which is a scourge we have been suffering for decades like other countries in the region?

[Cristiani] Well, in fact the commission has already offered some results.

The existence of the commission itself makes for more honest public bids because the commission is constantly watching over them. Lots of accusations have been made. That is true, but we are talking about politically biased people, who make accusations without providing evidence. In the CEL, for example, there were people who said there was corruption in the purchase of turbines that were set up to generate power. The commission checked it out and found nothing illegal or outside the ordinary in the purchase of turbines. There is no evidence that the CEL broke the law by buying the equipment at higher prices. Since they are working with loans, the bids are held under the supervision of the financial institution involved.

Conara remains under the permanent audit of the United States. If we remember well, the Conara case, which involved a former president of the Republic, was the result of a U.S. audit. They were the ones who made the information known. The audit that was recently done showed there is no problem at the Conara now. High-level authorities have been checking on it.

At the Social Security Fund there is already a case in the hands of the Criminal Cases Commission, which is conducting a follow-up investigation on bids for the purchase of medicines, which according to the commission were fraudulently done. We must get to the bottom of this investigation on the purchase of medicines at the Social Security.

You must be aware that a corrupt person never leaves footprints behind. Someone involved in cases of corruption will not leave the evidence behind. As for the Social Security case, we had the moral conviction that there was corruption in the purchase of medicines. The Criminal Cases Commission has been asked to intervene. The commission conducts investigations. It is not a branch of the judicial system, which means its investigations do not have any bearing on the judicial process. The results of its investigations must be passed on to another level. That is the level that is handling the Social Security case at this point. There are others cases similar to that.

At the ANDA [National Administration of Waterworks and Sewers], we found people involved in the purchase of scrap metal. These people occupied relatively high posts within the ANDA administration. Unfortunately, the judge said there was not enough evidence and he released them. There were cases where we had no evidence of anything, but we went ahead and made administrative changes because of suspicions that something was wrong. It is better to nip the problem in the bud than wait for the problem to occur. There are other areas of corruption, which we are now attacking. We are talking about institutionalized corruption, which has been hurting us for many years. People know corruption is so institutionalized that it appears to be part of our way of life. We are talking about border crossings, getting permits or license plates, doing paperwork at the customs office, and so on. What we are doing now is reforming our procedures. That is, we are trying to avoid the procedures that facilitate corruption.

We are going to take measures and some of them will be seen soon. They are the result of an analysis conducted by the commission. We will be able to determine, for example, how we are going to make customs changes. Talking to passengers on the plane, they keep telling me of the $100 they need to place inside their passports to get their luggage through the Comalapa Airport. I can tell you we have almost finished drafting a law allowing for a voluntary declaration. It means that a passenger will not have to fill out a declaration if he stays within the limit on the number of bags or suitcases allowed into the country. When one travels, two suitcases and a handbag should be more than enough. A person within the limit will decide if he wants to fill out a declaration form or not and he will be able to leave without having his baggage opened for inspection. There no longer will be a need to place a $100-bill inside the passport to avoid luggage problems.

These are the kinds of procedures that are being studied now because we want to eliminate this type of corruption. We must also point out that we have to work on public bids. We have to come up with procedures that can discourage dishonesty. It is a complex issue, especially when it comes to the big bids. Very often the person who loses a big bid tries to justify it by saying he was the winner and then follows it with a series of accusations. It does not necessarily have to be the case.

We conducted an investigation at Antel [National Telecommunications Administration] regarding a public bid that had been criticized. We will be able to solve this little by little. It is part of a long process. These are evils that date back many years and they are not going to disappear overnight.

[Chavarria] Thank you Mr. President for your time.

## Column Assails UN Involvement in National Affairs

*PA2908223693 San Salvador EL DIARIO DE HOY in Spanish 27 Aug 93 p 9*

[Unattributed "Note of the Day" column: "Onusal: Looking at the Mote and Ignoring the Beam"]

[Text] *"Even a madman knows more about his own home than a sane man knows about someone else's."—proverb*

"...The secretary general has described Onusal as a pioneering experience in postwar pacification.... The UN's current task is to contribute to the realization of structural and institutional changes necessary to prevent a return to the human rights violations and abuses of the past. It is supervising the reorganization of the Army, public security services, and the legal system, as well as promoting the

equitable distribution of land.... Onusal's relative success ended a decade of civil war and has the potential for radically transforming the country...."— THE CHRISTIAN SCIENCE MONITOR, 10 August 1993

Without a doubt, very few Salvadorans are fully aware that the mission of UN Observers for El Salvador, Onusal, that heterogeneous group of soldiers and bureaucrats led by a similarly heterogeneous entity, is capable of "radically transforming the country," including, and here we return to one of the original catch phrases, the laws that govern rural property.

The "members of Onusal" [onusales] intend to do with our fatherland what the National Socialists did with the fatherland of other people during World War II, or what the Soviets would have done, had they fulfilled their plan to take over the world.

The authors of the above-cited article in question are not official UN spokesmen, despite the fact that one of them describes himself as a "collective security official." Instead, their assertions coincide with the policies followed by the UN and the blatant attitude of its representatives here in El Salvador. Onusal's plan goes from changing the legal system to the distribution of land. Onusal intervenes every day in the capture of criminals, labor affairs, the training of policemen, the tracking of highway robbers (to guarantee their "human rights"), in seeing to it that the public powers do not clear properties seized by troublemakers, and so on.

Moreover, the UN secretary general dared to demand that the Constitution be reformed, based on the recommendations of the "Truth Commission" that was hand-picked by him. Marvelous! This gentleman establishes a people's court and then expects the victims of the maneuver to adhere to its decisions. He forgets that his own people are in need of reforms more than any other, judging from the jail term given to a writer for expressing his religious views. A basic freedom, the expression of one's opinions without criticism or caution, is systematically violated by the government which Mr. Butrus-Ghali was once a part.

The "equitable distribution of land" is ironic in the wake of the brutal "agrarian reform" imposed by the Duarte regime, which only ruined the best farmland and impoverished peasants and those sectors whose livelihoods depend on farming. The "members of Onusal" have either not taken the time to investigate what happened with that "equitable distribution" or they are accomplices to evil schemes. Because all of the laws have already passed, the trick is to oppose the dislodgement of gangs that seize property, offering instead to "obtain aid" to pay the legitimate owners. In other words, they are forcing us to incur debts with international lenders for the benefit of cattle rustlers and robbers, who are incapable of efficiently cultivating the land.

**Begin, Gentlemen, With Iraq and North Korea**

The fundamental issue is this: How can a democracy be perfected when alien forces, forces that fail to consult public opinion and remain unaware of the nation's realities, plan to change the legal system as they see fit, make decisions regarding the farmland ownership system, prevent legal action against those who break the law, protect criminals, and behave like an occupation army in a country that is in better order, has wiser traditions, and features fairer laws than most of the countries that are members of the UN? It is ironic that the UN, whose membership includes regimes such as Vietnam, Iraq, and Red China, is imposing conditions on a small country where virtually every civil liberty is enjoyed.

Will the Salvadoran people continue to tolerate the repercussions of forced arrangements that infringe on civilized customs and democratic laws? It is only fitting that the UN conduct an introspective examination and analyze its role, which increasingly seems to be one of a henchman for the new imperialists, and for its representatives to leave El Salvador and go home.

## Defense Minister Discusses Confiscated FMLN Arms

*PA2808050793 San Salvador Radio Cadena YSU in Spanish 1800 GMT 23 Aug 93*

[Report by Maria Teresa Fajardo, including a recorded interview with Defense Minister Humberto Corado by an unidentified reporter; place and date not given]

[Text] On 23 August, Defense minister Colonel Humberto Corado Figueroa, said that the arms confiscated from the Farabundo Marti National Liberation Front [FMLN] are now in the Army's arsenal in the same condition they were found and seized, adding that a detailed report on the arms for interested parties depends on a political decision. Col. Corado declined to give figures for the number of weapons confiscated, saying this is not part of the peace agreements. He said a public report on this arms inventory will depend on the country's political events.

[Begin recording] [Corado] The arms are in our hands. They are properly stored and being kept in the condition in which we found them. In other words, new ones are being kept new, for example. The arms are being kept in good condition. Nevertheless, as a military institution, we need a political decision to report on them.

[Reporter] Does the UN Observer Group in El Salvador [Onusal] know about the confiscated arms?

[Corado] Onusal learned about this from other sources, but because the agreements do not stipulate that we must report on the weapons, we have not considered doing so. I think, however, that all Salvadorans, regardless of the position they hold or the sector they belong to, should contribute to the consolidation of peace. The arms are there. They are not being used for other purposes, contrary to reports that say they could be used as political tools. This is not so. All we can say is that we have the arms and that they are being properly cared for.

[Report] The number 7,000 has been mentioned in connection with the number of arms confiscated.

[Corado] We cannot give figures openly. I would rather keep the number of confiscated arms a secret. Whether or not this situation remains as it is now depends on the government's decision. We are ready and willing to obey a higher decision, whatever its nature. [end recording]

In addition, Corado reaffirmed his previous remarks on the existence of armed groups in six zones of the country, where guerrillas were previously active. He said military intelligence reports continued to pour in and that they would be officially announced shortly.

[Begin recording] [Corado] We have continued to receive reports from various areas in the nation. These reports indicate the number of armed groups are not as small as Onusal says. Quite the opposite is true. The figure is close to the one I personally mentioned in Costa Rica. Intelligence reports vary from one day to the next. We hope this figure gradually diminishes. The important thing here is that these groups have no political basis and that an armed struggle does not resume. They are backward individuals, who still have not clearly interpreted the spirit of the agreements. This is why they are armed and engage in looting and other activities against businessmen.

[Reporter] Where have these groups mainly been detected?

[Corado] In the same areas where the FMLN was active during the conflict, Guazapa, Morazan, and north Chalatenango. Very small groups are operating in Santa Ana, south Usulutan, and San Vicente. [end recording]

Corado did not rule out the possibility of further fighting in the country. He said this will depend on the FMLN's political behavior.

## Election Official Interviewed on Voter Registration

*PA2708234793 San Salvador LA PRENSA GRAFICA in Spanish 24 Aug 93 p 8*

[Interview with Supreme Electoral Tribunal President Luis Arturo Zaldivar by an unidentified reporter in San Salvador; date not given]

[Text] [LA PRENSA GRAFICA] Ever since the strike by Supreme Electoral Tribunal [TSE] employees, some politicians have again been talking about the slow pace of the process of issuing electoral cards.

[Zaldivar] The plan to register and issue electoral cards is going fine, although we did not begin on 12 July as scheduled because of the strike by TSE employees. It began on 26 July, and the results are better than those obtained previously. Critical politicians do not know what the TSE is doing and are, obviously, people who want to harm the process by discrediting the electoral registry and the TSE's activities.

[LA PRENSA GRAFICA] What figure does the TSE expect to obtain?

[Zaldivar] The goals of the plan to register and issue cards to voters are as follows: 1) to review and process 673,649 new registrations within a timeframe no greater than four months, to end 19 November; and 2) to hand over electoral cards to 295,567 citizens, who have already been issued one, as well as to 673,000, who are newly registered.

When the UN preparatory mission came, we were told it was appropriate to conduct a specific survey. We did this and the profile it showed was that 60 percent of those without cards are women and 40 percent are men.

[LA PRENSA GRAFICA] Based on this profile, how many people do not have electoral cards?

[Zaldivar] We took a national population and housing census last year. In April, the Statistics and Census Office surveyed 12,500 people. The survey included a question on whether or not people had their cards. The survey gave us guidelines to draft a plan. Later, with results showing that 673,000 people did not have cards but did not specify whether they had already requested one or failed to give a reason why they did not have one, Dr. Ecneo suggested conducting a specific survey on the electoral card.

The reasons given were these: The individuals responsible were inattentive; the registration center was remote; there were very long lines; people were living abroad; there was a lack of time to request a card; people were ignorant of procedures; the card had been lost; and so on.

Our mission is to improve service. There will no longer be lines because we will go to places where the voters live and launch a campaign to inform them of procedures. We will use posters, flyers, and loudspeakers in remote areas. Our work is designed to motivate civic spirit. The magistrates will be responsible for providing all Salvadorans, who can vote, with the conditions necessary to register and obtain electoral cards.

For example, we know that 85 percent of the 786,354 people without cards listen to the radio and that 69 percent watch television. We are interpreting the work in a technical manner. We are not pulling figures out of our sleeve.

[LA PRENSA GRAFICA] What do you think about a U.S. congressman proposing $70 million in U.S. aid for El Salvador be frozen unless nearly the entire voting-age population is provided with voting cards?

[Zaldivar] The aid you are referring to is a special allotment the U.S. Government has offered El Salvador. The TSE, especially, has benefited from this aid. The endorsement for the TSE's action plan materialized last Thursday by means of an aid allotment for $20 million made through the Technical Secretariat of Foreign Financial Aid [Secretaria Tecnica de Financiamiento

Externo—not further identified]. This will allow us to acquire, for example, 100 cameras, film for 1 million documents, generators, and so on.

We have unofficial information that a U.S. congressman has called for the suspension of U.S. aid until the process of issuing voting cards is complete. We are certain we will accomplish our mission. We want to cover practically 100 percent of the voting population, but we are human, and, therefore, if we cover 90 percent, this would make us one of the countries with the largest percentage of registered voters in the world. In the United States, for example, only 70 percent of the voting population is registered to vote. In Costa Rica, where conditions are more suitable than ours, only 89 percent of the voters are registered, despite the fact that in that country registration is automatic when a person turns 18.

## Guatemala

### President Wages 'Political War' on Congress

*PA2708185493 Paris AFP in Spanish 1802 GMT 27 Aug 93*

[By Gonzalo Marroquin]

[Excerpt] Guatemala City, 27 Aug (AFP)—After asking for the resignation of all deputies and Supreme Court magistrates on 26 August, Guatemalan President Ramiro de Leon Carpio is waging a virtual "political war" on Congress, which refuses to be purged, according to statements made by the various media.

De Leon Carpio addressed the nation the night of 26 August and asked the country's deputies and magistrates "to resign immediately," and announced a national crusade against "impunity and corruption," which would begin with the purging of congress.

During a visit to San Salvador on 27 August, de Leon Carpio said congressmen have 72 hours to resign. It is an effort to resolve his country's "governability crisis" following the unsuccessful self-inflicted coup attempt staged by former President Jorge Serrano last May.

The president, who took office with wide popular support three months ago following the overthrow of President Jorge Serrano, warned that if the 116 deputies do not resign, he would convene a referendum so the people can decide the fate of the Legislative Branch. Various deputies met to discuss the topic the night of 26 August and in open challenge to the president's position, many said they were willing to "wage war" on the Executive Branch. One of them, who asked to remain anonymous, said "we can bring 200,000 persons to the capital so the president can see we are not alone."

Andres Giron, a Christian Democratic Party deputy and Catholic priest, answered the president: "Do not think we are fenced in. We are not going to resign." Jose Fernando Lobo, congress president and member of the board of directors of the Christian Democratic Party, asked for a meeting of the leaders of the three branches of government (Executive, Legislative, and Judicial) "to discuss the crisis." De Leon Carpio had already told AFP, however, "I will not meet with the presidents of the other branches of government if they do not resign."

Meanwhile, Supreme Court President Juan Jose Rodil ruled out the possibility of resigning, but he said the magistrates "will obey the law and the constitutional reforms" if any are approved. [passage omitted] After returning from the summit meeting in San Salvador on the afternoon of 27 August, the president will hold several meetings with his advisers to review the course of events, according to a government source. [passage omitted]

### Leader Opposes Resignation Request

*PA2808043393 Panama City ACAN in Spanish 0153 GMT 28 Aug 93*

[Text] Guatemala City, 27 Aug (ACAN-EFE)—Today, Jose Lobo, president of the Guatemalan Congress, characterized President Ramiro de Leon Carpio as "authoritarian and neofascist" for having requested the resignation of the Congress deputies and members of the Supreme Court, and he proposed to de Leon that they work together "against corruption" in the state apparatus.

Lobo, of the Christian Democratic Party [PDC], said that the presidential message broadcast yesterday to the country mirrors an "authoritarian democracy and a neofascist proclivity" that could make the president lose contact with reality. On 26 August, de Leon demanded the "voluntary" resignation of the 116 members of Congress and nine members of the Supreme Court of Justice to initiate a self-purge process and thereby respond to the people's demand for clean state organizations. He said that otherwise he would convoke a referendum to decide this.

As the president of Congress sees it, de Leon's proposal seeks "short-term" solutions that will not resolve national problems such as hunger, poverty, low salaries, and unemployment, adding, "our resignation is not going to resolve the crisis."

Lobo described the recommendation as "discriminatory" because it seeks "to extract two organizations from the constitutional boundaries" and forgets to cleanse the executive branch in which corruption persists, as in the case of the General Directorate of Customs. Lobo has proposed to de Leon that instead of dividing Guatemala's society, they work together in restructuring the state, and he pledged that the deputies would commit themselves to approving "all bills aimed at eradicating corruption." Lobo said that next week Congress will analyze "all the facts in de Leon's statement to determine what he (De Leon) wants."

Rigoberta Menchu, the 1992 Nobel Peace Prize winner; the Catholic Church; and representatives of labor movements and popular organizations have praised de Leon's

decision, contending that the president "has been interpreting the people's will" since 6 June when he assumed the presidency.

Deputy Jose Carlos Acevedo, however, has criticized de Leon, calling him "an ungrateful son" who "has already forgotten who elected him to the post." De Leon was elected on 1 June by the current Congress to replace dismissed coupist President Jorge Serrano.

Deputies Claudio Coxaj of the PDC and Mario Mazariegos of the Union of the National Center have accused the president of inciting "a civil war," adding that they also have "followers who are ready to defend" them.

Oliverio Garcia Rodas, secretary general of the Solidarity Action Movement to which Serrano belongs, recommended pretrials to purge Congress and, if this is not possible, "then we just leave because no one owns a seat in Congress."

So far, neither the Supreme Court of Justice nor the rest of the political parties have stated a position on this matter because they are "in an ongoing session."

## Defense Minister on Refugees' Return, Army Budget

*PA2708202293 Guatemala City SIGLO VEINTIUNO in Spanish 23 Aug 93 p 3*

[Text] The Guatemalan Army is determined to help, protect, and facilitate the return of all Guatemalan refugees who are in Mexico, Defense Minister General Mario Enriquez has announced.

Enriquez said the presence of military detachments in areas where refugees could settle "does not contravene President De Leon Carpio's desire for a pleasant return in the best conditions." Military presence should not inhibit their return, Enriquez said. On the contrary, the Army is always ready to help people, particularly in rural areas. He added the fact that some refugee groups are demanding the absence of military forces as a condition for their return is due to "ideological factors in the process," which has been manipulated as part of the internal armed conflict.

Enriquez also referred to his recent trip to Costa Rica, where matters related to demobilization, demilitarization, and democratization of armies were discussed. "Concepts have changed a lot, because while the armies in the area were strongly criticized in the past, it is now recognized that they are necessary, particularly in societies where great efforts are being made to consolidate democracy.

### Creating Public Confusion

Regarding international dispatches in which the Guatemalan Army was described as the largest in the area and with the highest budget, Enriquez said that as many other things, this concept has been ideologically and intentionally manipulated to confuse the public. "Certain reports say that the Army has been assigned 32 percent of the national budget, which is false, because we have never received that amount. If we look closely, we will see that the Army's budget is not even 50 percent of the budget assigned to education, or 60 percent of the health budget," he said.

He added that what has affected the institution is the way in which the public has been manipulated on these subjects as part of the internal armed conflict. He said that as soon as the war is over there will be no more manipulation in that regard.

## Foreign Minister Denies URNG Statements

*PA3008025493 Guatemala City SIGLO VEINTIUNO in Spanish 26 Aug 93 p 4*

[Text] On 25 August, Foreign Minister Arturo Fajardo Maldonado described as "polarizing" the statements made by the Guatemalan National Revolutionary Unity [URNG] regarding the request by the United States, Mexico, and France for the URNG to lay down its weapons. This information was released in an ENFOPRENSA [expansion unknown] report.

Fajardo Maldonado was unable to meet with the press at the Presidential Palace, but he issued a press release on the statements made by URNG representative Jorge Rosal. Fajardo described as "regrettable, the concepts expressed" by Rosal.

Statements such as these, Fajardo added, continue to be within the framework of the Cold War, whereas the results of the meeting of the Human Rights Commission and its respective subcommittee was precisely one of a high conciliatory spirit and of full support for the rescue of democracy and human rights in Guatemala.

Without specifically referring to Rosal's statements, the foreign minister mentioned the meeting, saying: "The call made to the rebels to put an end to violence and participate in the democratic process must also be stressed. This call was made, directly or indirectly, by several of the experts from several countries, proving that there is a feeling of conciliation and respect for the Guatemalan situation."

The foreign minister added: "In terms of the Foreign Ministry's participation, I am pleased to say that the resolution was adopted by consensus. This fact has undoubtedly united Guatemala. The full support for the policy of national reconciliation promoted by the government is evident in the text of the resolution."

In conclusion, Fajardo stressed that the personal attacks carried out by a group of armed rebels is no reflection of the positive climate that prevailed throughout the talks that took place within the framework of the subcommittee's 45th period of sessions.

## URNG Disputes Remarks

*PA2908045293 Guatemala City SIGLO VEINTIUNO in Spanish 25 Aug 93 p 2*

[Text] An ENFOPRENSA [expansion unknown] news report datelined Geneva, 24 ...gust, states that Jorge Rosal, Guatemalan National Revolutionary Unity [URNG] representative in Europe, has said that the governments of the United States, Mexico, and France "never asked the URNG to lay down its weapons, as Foreign Minister Arturo Fajardo has said out of ignorance."

Rosal stressed that the experts, members of the subcommittee for the Prevention of Discrimination and Protection of Minorities, "are independent," adding that at "no time do they speak on behalf of their governments or countries; they speak on a personal basis." Besides, according to Rosal, Fajardo was not in Geneva.

Rosal added that Mr. Heller, an independent Mexican expert, who is well versed on the situation of the Guatemalan peace talks, was the person responsible for drafting the resolution on the human rights situation in Guatemala and was also the one who presented it.

Mr. Joinet, the independent French expert, said he believed the resolution would be approved by consensus. Meanwhile, U.S. expert Mrs. Chavez said that it is a well-balanced and good resolution and would be approved by consensus, as it was.

The URNG representative said that the U.S. expert said she hoped that this situation will help the peace talks and that it is "important that the rebels take advantage of this opportunity to join the country's political life."

Rosal warned that the Guatemalan Government is trying to cover up its failure to get the aforementioned subcommittee to refrain from taking action in the human rights situation in Guatemala. Likewise, Rosal stressed that, Guatemalan Deputy Foreign Minister Salomon Cohen kept insisting before the subcommittee for the resolution not to be approved and that members of the subcommittee had to know his attitude was unacceptable and, in turn, asked him to stop insisting.

Rosal commented: "There is no doubt that all these efforts by the government, before the subcommittee, proved its delegation's crass ignorance." The delegation did not know what to do and it had to seek the help of Guatemalan Ambassador to Sweden Lars Pira, which Cohen admitted.

In conclusion, Rosal described Foreign Minister Fajardo's statements as "a smokescreen," and he stressed that all this was an attempt to cover up the truth from the Guatemalan people "because the world is quite aware of the situation in Guatemala."

## URNG General Command Issues Declaration

*PA2708181393 Guatemala City PRENSA LIBRE in Spanish 20 Aug 93 p 24*

[Paid ad issued by the URNG General Command featuring a political declaration: "The New Government Must Fulfill Its Promises and Meet Expectations"]

[Text] Two and a half months have passed since Ramiro de Leon Carpio took over as president of the Republic to resolve the coupist crisis. Prior to his completion of 100 days in office, it is urgent that we take stock of the country's situation and the trends that emerge and open paths every day.

To avoid frustrating a hope, if there is a commitment to carry out a democratic process with a minimum of content [un minimo de contenido] and to strengthen institutionality, it is necessary to assume the responsibilities of government with firmness, coherence, and democratic principles.

A leader's first months in office are the ones that outline his government and his possibilities of fulfillment. It is very worrisome to see the weeks pass without the adoption of specific measures. On the contrary, a lack of specific action and indecisiveness are gradually becoming the main traits of the new government, which has sorely defrauded national and international sectors which, based on the new president's previous work as human rights ombudsman, had placed their confidence in him and raised expectations.

### Initial Report

1. Over the past few decades, the systematic violation of the Guatemalan people's human rights has not only been a characteristic but the most painful and serious part of our history and, therefore, the most urgent and vital issue for any regime to begin to resolve. There is a trend toward covering up a persistent open, clandestine stage through which repression is enforced and the most abject oppression established. Threats, kidnappings, torture, and murder for repressive ends continue to take place, as the news media reports.

The Civilian Self-Defense Patrols, condemned and repudiated by the general public and the international community, instead of being demobilized or at least having their voluntary nature established, have begun to be accepted and justified by the new president, a position that is totally contradictory and objectionable.

The solution of political crimes is uncertain and unsatisfactory; so much so that they bring to mind the classic practices that sustain impunity. News of the reorganization of one of the cruelest repressive bodies, the Presidential General Staff, initially prompted popular recognition and satisfaction, but as the people saw how this measure was being executed and ascertained its scope, their feelings turned into indignation. This indignation would be even greater if the public knew of the circular issued by the chief of the Armed Forces General Staff,

which friendly hands, that opposed it as manipulation, sent to us; the gist of the circular is as follows:

"In accordance with the austerity policy and optimization of resources, restructure Presidential General Staff. Mission and duties assigned will not undergo changes. Reorganization in question does not constitute a purge or reduction. Aimed at strengthening image of that organization" (6 August 1993).

2. The essence of current plans devised for the economic and social sectors are becoming increasingly removed from the initial statements of the new president who, upon expressing concern over the dire poverty of the majority of our people, advocated a more direct state role in its solution.

The neoliberal steps he is announcing forebode a worsening of economic and social conditions. The privatization of public institutions and services will not resolve the people's education and health problems.

In that manner, a viable solution that would make it possible to obtain the necessary funds, such as a tax reform, is evaded, and social benefits are subject to private interests. In addition, it contributes to decapitalizing the country and harms our sovereignty.

Not adopting short-term measures to fairly adjust the meager salaries of rural and city workers and not taking measures to control the price of staples and utility services will only contribute to maintaining and increasing misery and social discontent.

All this is truly alarming, and should the situation persist, instead of fighting poverty and attaining a minimum of well-being and stability, we will be heading for a social explosion.

3. The negotiating process, which seeks a political solution to the internal armed conflict and the country's general crisis, is still stagnant. It is obvious that the new government's line is postponing and wearing down the process, so that it will no longer be an alternative for peace.

To date, the Guatemalan Government has not made any proposal. The URNG duly replied to the ideas it presented for the negotiations. Recalcitrant positions expressed by military and economic sectors have become so frequent that their proposals, declarations, and thoughts are deliberately creating unacceptable schemes aimed at reducing the importance and substance of the negotiations.

In order to hide this reality, the government is trying to manipulate the name or representativeness of the country's civilian sectors by seeking their support for a proposal that is not consonant with their interests. Based on these considerations, which reflect an unconcealable reality, we issue the following:

**Call To the President of the Republic:**

In keeping with his democratic background and convictions, it is necessary and urgent that he immediately and effectively face the problem of respect for human rights.

Toward that end, the URNG General Command proposes that the government appoint a new government peace commission. Without any delay, and as its first act of good faith, that commission should sign an overall Human Rights Agreement that should be immediately implemented under international verification.

In exercising real political willingness against impunity and repression, the entire contents of what is known as the Presidential General Staff's "archives" should be sent immediately to the Human Rights Ombudsman's Office so the persons affected, as well as national and international organizations, can have free access to the information contained therein.

Consonant with the ideals of social justice, we call for a definition of and urgent measures to alleviate the country's economic and social conditions, and a profound revision of economic policy guidelines currently being studied.

To the Guatemalan people and all Sectors of the Guatemalan Society:

Based on a right heroically earned as a result of a permanent struggle, we urge you to demand compliance with promises and agreements, and reject the manipulation and deceit of minority but powerful sectors trying to take advantage of the current situation.

We must advance, demanding what is just, supporting what is good, and rejecting what is bad.

[Signed] URNG General Command

Commander Rolando Moran

Commander Pablo Monsanto

Commander Gaspar Ilom

Carlos Gonzalez, secretary general of the Central Committee of the Guatemalan Labor Party

19 August 1993

### * Human Rights: PAC's Terrorize, Kidnap, Murder

*93CA0184A Guatemala City PRENSA LIBRE in Spanish 5 Aug 93 p 8*

[Article by Eddy Alfaro Barillas: "Controversy Over PAC Operation Cause of Tragedy in Huehuetenango"]

[Text] *Garcia Laguardia asks for capture of Patrol members implicated in crime.*

An argument over whether or not to dissolve the Civil Self-Defense Patrols (PAC) left one dead and two

wounded Tuesday afternoon in the village of El Naranjal, Colotenango, Huehuetenango. One of those wounded was a minor. The victim of the confusing incident was identified as Juan Pablo Chonay, 64, who died from a bullet wound to the body. Miguel Morales, 19, and Julia Gomez, 16, suffered leg wounds and were hospitalized. Karel Op Je Beeck, human rights activist and a member of Belgian Solidarity for Guatemala, suffered a wound in the forehead which he claims was caused by Civil Patrol members who tied his hands and beat him for several minutes.

The incident took place Tuesday afternoon when a group of activists from the Peasant Unity Committee (CUC), the National Coordinating Committee of Widows of Guatemala (CONAVIGUA), and the National Council of Prisoners and Missing Persons of Guatemala (CONDEG) held a meeting to demand the dissolution of the PAC's.

The participants were from the villages of Tixel, Ical, Ixcunlaj, Tojlate, and Xemal in the township of Colotenango.

Sources consulted at the scene gave conflicting versions of the cause of the incident. While some said that more persons may have been killed or wounded, others disagreed.

Lucia Quila of CONVIGUA said a meeting had been scheduled for Tuesday with the departmental governor, Feliciano Elpidio Cano de Leon, the attorney for human rights in the Office of Attorney General in Huehuetenango, Tibaldo Ricardo Gamez Lopez, and the mayor of Colotenango, Rudy Chavez Herrera.

Quila said that those attending the meeting reportedly discussed a petition submitted by CONAVIGUA, CUC, and CONDEG to dissolve the Civil Self-Defense Patrols because of complaints from residents of several villages and hamlets in the township of Colotenango. However, she added, when they arrived at the meeting place (the village of El Naranjal's multipurpose room), Civil Patrol members were there waiting with firearms and knives, ready to attack activists asking for their dissolution.

Quila reported that at about 1430 hours, when no agreement could be reached by the opposing sides, the CONAVIGUA and CUC representatives proposed that an open meeting be called so that the people could decide whether or not the PAC shou'd continue to function.

Following this proposal, the deputy human rights attorney and the governor of Huehuetenango decided that the commanding officer of military zone 19, Colonel Luis Felipe Miranda Trejo, should be consulted about whether or not he would agree to dissolve the Patrols. The answer was negative, she said.

### Tragic Events

At about 1530 hours, those attending the meeting chose to return to their communities. Minutes later, they were intercepted by some 400 Patrol members who fired on the civilian population, causing the death of one and wounding two more, she emphasized.

However, the departmental governor, human rights attorney, commanding officer of Military Zone 19, and head of the PAC's in Colotenango, Felipe Alba, denied the CONAVIGUA official's story, claiming that the PAC attack had been provoked by the activists.

In addition, military sources say that those participating in the meeting opposing the PAC's are being manipulated by the Guatemalan National Revolutionary Unity (URNG).

Fermina Lopez, another CONAVIGUA leader, categorically denied the accusations and blamed the death of the older man and the shooting of the two peasants on the Civil Patrols and the commanders of the regional military base.

### Colonel Miranda Trejo: No Order To Attack

"No one ordered the Civil Patrol members to attack activists belonging to the National Coordinating Committee of Widows of Guatemala (CONAVIGUA), Colonel Luis Felipe Miranda Trejo, commanding officer of Military Zone 19, headquartered in Huehuetenango, said in commenting on the events yesterday.

He added that he could not order the PAC's dissolved because they are made up of volunteers who have banded together to fight the insurgency and crime that constantly plagues them.

Concerning the incident, he said an investigation had been launched and that those responsible would be turned over to the courts in that jurisdiction.

### Demand for Capture of Patrol Members Involved

Two days ago, after first condemning the tragic events that occurred in Colotenango, Huehuetenango, human rights attorney Jorge Mario Garcia Laguardia demanded that President De Leon Carpio and the minister of defense apprehend the Civil Patrol members who participated in the massacre.

The attorney said this new act of bloodshed committed by members of Civil Self-Defense patrols was the straw that broke the camel's back. Some 23 reports of human rights violations by PAC's have recently been received.

He added that military authorities are not only responsible for identifying the authors, but must supply all information to the courts so that those guilty might be caught and punished.

Garcia Laguardia added that the institution he heads is continuing its investigation and will hand down its ruling as soon as possible. First and foremost, it will demand a halt to this absolutely antidemocratic and intimidating conduct against the civilian population.

He also said that the situation is deeply disturbing because at least 80 reports have been received of threats from PAC members aimed at the civilian population. The most regrettable incident occurred last month, when the human rights attorney in Huehuetenango, Ricardo Gomez Lopez, was arrested and kidnapped by elements of these security forces.

**PAC's Will Not Be Dissolved**

President Ramiro de Leon Carpio said that on a number of occasions, members of Civil Self-Defense Patrols had exceeded their duties. However, speaking as an attorney, he noted that as long as there is an armed conflict, the patrols have a duty to perform.

He added that when agreements are reached with guerrillas and human rights are guaranteed, there will be no more patrols, but that the dissolution will occur only when such agreements with terrorists have been concluded.

He admitted that a number of human rights violations have occurred and that one therefore had to be clear in applying the law. He added that while, as an attorney, he has demanded a fight against lawlessness, it is nevertheless necessary for the law to be applied to the letter when Patrol leaders are found guilty.

### Correction to De Leon Carpio National Address

*PA2808043093*

The following correction pertains to the item headlines "President's Address to Nation" published in the 27 August Latin America DAILY REPORT, page 13: Column one, second paragraph, first sentence make read: ...attitude of the 63 deputies who have.... (correcting number of deputies)

## Honduras

### Army Spokesman on Patrolling Nicaraguan Border

*PA2708162693 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 27 Aug 93*

[Report by Carlos Medrano; from the "Morning Paper" newscast]

[Text] Honduran troops are patrolling the Nicaraguan border by air and land to prevent the entrance of Nicaraguan recontras. Regarding this problem at the Nicaraguan border, Army Spokesman Lieutenant Colonel Napoleon Santos Aguilar emphatically said that the Honduran Army will capture any contras or recompas who try to enter our country, and if they open fire, Honduran troops will reciprocate.

[Begin recording] [Santos] Units at the Nicaraguan border were reinforced during the past few days; obviously, we are not trying to create instability among the Honduran or Nicaraguan population in the area, rather to reinforce security to prevent the entrance into our country of armed men or groups that are trying to destabilize the Nicaraguan Government.

[Unidentified reporter] With such a wide border, how can the Honduran Armed Forces protect the lives of citizens and Honduran territory?

[Santos] On security aspects, the military institution must be viewed as a whole. Infantry troops have been posted at specific points from where they are controlling the entrance of anyone who may attempt to enter our country illegally, without going through immigration. In addition, our borders are patrolled daily by Honduran Air Force units.

[Reporter] What are the orders in case the recompas or recontras open fire? What is your position?

[Santos] We believe those groups are part of an internal problem in Nicaragua. We are totally disconnected from any internal situation in Nicaragua. In case of an attack against our soldiers, taking the necessary precautions, the normal procedure would be to try to capture the individuals involved, and if they have attacked Honduran troops or citizens, we would turn them over to the Foreign Ministry or pertinent civilian authorities through normal channels.

[Reporter] What is the Armed Forces' position regarding the military conscription, which the two main presidential candidates have promised to eliminate next year?

[Santos] The Armed Forces, as an institution, did not establish military conscription. There is a part of the Constitution that describes citizens' duties. Military service is mentioned as one of those duties. The Constitution clearly specifies that military service is obligatory for citizens within certain age brackets. We believe that people who are engaged in politics should recognize the importance of discussing the military conscription problem. We believe people are not actually opposed to recruitment. [end recording]

Santos said political willingness is necessary to determine whether the next president will eliminate military conscription.

### General Discua Holds News Conference

*PA2708163693 Tegucigalpa LA TRIBUNA in Spanish 26 Aug 93 p 10*

[News conference by Division General Luis Discua Elvir, Honduran Armed Forces commander in chief, with unidentified reporters at the TNE building in Tegucigalpa on 25 August—first four paragraphs are LA TRIBUNA introduction]

[Text] Yesterday, Division General Luis Alonso Discua Elvir, commander in chief of the Armed Forces, stated that two military brigades remain "in a state of alert" in the face of the Nicaraguan problems and the arms shipments from El Salvador to Honduras.

In an improvised news conference, the military commander stated that the continual thefts and the great caches [botines] are connected with Salvadoran and Nicaraguan dissidents, "something that catches my attention."

Although he said he had no confirmation of this, he wonders what is happening because arms are being shipped and these types of assaults are taking place in Honduras.

We publish his statements:

[Reporter] How many discharged personnel appear on the list?

[Discua] I cannot say. I believe that the National Electoral Tribunal [TNE] they will compare their lists with the lists I have just handed them. Possibly when the list arrives they will have made the selection and eliminated people, who by action or omission are listed twice. The TNE will determine exactly the number.

[Reporter] What is your idea on the electoral process? People say there is no purge.

[Discua] Constitutionally the Armed Forces have the mission to endorse, supervise, and ensure that the electoral process is held in accordance with the law. The Armed Forces also oversee that there is free suffrage and alternating presidencies.

As far back as I can remember, and there have been very few elections that I remember, these types of comments have always been made, that lists have been altered, that foreigners register to vote, there have been a series of irregularities mentioned in every election.

I believe the elections are becoming cleaner, more structured; in other words the ghaps are being filled, are being removed. Logically, we are not perfect, mistakes can be made, but the idea is to minimize them so the elections can be as honest as possible so all Hondurans can have the right to elect the citizen, who will lead us the next four years. [Reporter] If the lists were turned in today, it means that previously officers could have taken part in the elections?

[Discua] No, we have always been clear that the Constitution forbids us the right to vote. We are citizens and we render a service to the country from the moment we take our oath on 3 October. That oath practically limits the right to vote and the Armed Forces have kept to this. This is the first time this act is held. This is nothing more than a reaffirmation of the Armed Forces' resolve to maintain a democratic process in this country.

[Reporter] Has the institution thought of voting in the future? What is your opinion on what is taking place in Nicaragua?

[Discua] In the first place there have already been many initiatives by political party leaders in this country. The Armed Forces have always endorsed the election process. I do not believe we can be both judge and jury. We have always guaranteed elections, but remember we are Hondurans and we have a very special idiosyncrasy. Hondurans are political by nature and we, the military, are no exception. We are a part of the overall Honduran picture, we have our families, who belong to various political parties, and we have been brought up in these homes. From the moment we are born, God and the political party we belong to are instilled in us.

I therefore believe that the Armed Forces have kept us in that position and up to now we have wanted to keep it this way. In the past, of course, there were problems and people said the Armed Forces favored a certain political party. At the moment, however, I believe that there is a wide range of pro-Honduran ideas, which prevent us from favoring any political party, in the Armed Forces. That is the reason.

Regarding Nicaragua, what is taking place is getting a lot of attention from us. Both the Sandinist factions and the counterrevolutionary factions have assumed the task of creating terror, chaos in the country. This, of course, has us, here in Honduras, worried because when one is abroad, all Central Americans are in one way or another viewed as being the same.

[Reporter] Could increased hostilities in Nicaragua affect Honduras?

[Discua] We can look back a bit. At the end of the 1970's and throughout the 1980's each Central American country was submerged in internal conflicts. We saw the problem in Nicaragua, El Salvador, and the Guatemalan problem continues. Honduras has remained practically an island of apparent tranquillity, even though problems have always existed.

I want to tell you that, at this time, arms trafficking to Honduras, the movement of weapons from the Republic of El Salvador to Honduras calls our attention. I do not know what to call these movements at this time, because I do not know what their objective could be following the disappearance of Marxist-Leninist ideology, the fall of the Berlin wall, and the disintegration of the Soviet Union.

We have learned that arms are on their way from Nicaragua to Honduras and vice versa. What is the purpose of this? Are we not in a peace process of democracy and liberty in Honduras? Our attention is caught by this.

What is going on? Armed dissident groups from El Salvador and Nicaragua are transporting arms to Honduras. What for? To create chaos in this country, support a third country, such as Guatemala? What is going on?

We have information on this, which catchs our attention. Why are attacks on banks, involving very large sums, occurring? We are talking about 200,000 lempiras and up. What is becoming of all this money? The information

I have is that allegedly Honduran groups are perpetrating assaults in Nicaragua. We wonder why arms are being transferred to Honduras. Are they trying to transfer their war problem to us in Honduras? Why is so much money being taken in bank robberies? What for? What are some people plotting to do in the country?

[Reporter] Is the United States creating another Lebanon in Honduras?

[Discua] The number of U.S. troops participating in the exercise is the same that was planned in September last year. Maybe they distorted certain remarks by Gen. Paredes Hernandez, who said two brigades had been mobilized. I want to say that these two brigades remain in the area at all times. The 101st Brigade is stationed at Choluteca and the 110th Brigade is stationed in Ojo de Agua. These units remain in those places all the time.

It is not that there has been a troop mobilization. Of course, we have the two brigades on a state of alert for anything that might happen. Two diametrically opposed sectors have been staging terrorist and subversive activities, with different interests. Therefore, the number of U.S. troops has not increased. It always remains the same. The purpose of the exercise is to increase control of drug trafficking and step up civic and military activities. Anyway, the two armies spend a lot money in the area and this helps us greatly.

[Reporter] Are the Armed Forces prepared to combat drug trafficking? What is the Armed Forces' stand on the proposal to abolish mandatory military service?

[Discua] Well, down here we are not very inclined to mandatory military service. We like to parade with rifles and military uniforms every 15 September. In one way or another, society sympathizes with the institution because every 15 September we watch many students parade in platoons, with field jackets, caps, etc. We feel we must imitate Gen. Francisco Morazan and Jose Trinidad Cabanas. As for whether we are still prepared for military action, yes, we still are. We cannot tell what will happen in the future if pressure to eliminate the military service continue. If there are no more soldiers, we will have to take all the microphones away from you and give all of you pistols and rifles instead to combat drug trafficking.

[Reporter] It has been reported that Armed Forces members have been trafficking in arms to Nicaragua.

[Discua] That is an absolutely false report by people who want to manipulate this type of information. I am hereby reporting that there has been some movement of arms to Honduras without the knowledge or approval of the corresponding governments. There are dissident groups who are engaged in an internal confrontation and who have not accepted the amnesty of their own countries or international organizations and want to keep fighting their own war.

These are the people who have been transporting arms to strategic locations in Honduras. We have the information. I think the purpose of the smoke screen laid in Honduras was to conceal arms trafficking to the country. Just as the Armed Forces are concerned over this, all Hondurans who want to live in peace and see their country developed should be concerned.

[Reporter] Is the so-called Honduran left playing other cards?

[Discua] Some of the groups that returned to Honduras accepted the amnesty offered by the government. Others did not want to have anything to do with what President Callejas and other persons talked about. They did not want to know anything about the amnesty talks. Still others did accept the amnesty but were rejected by the population and had to return to their place of origin.

I met with them and was told there was a lot of unemployment among them because the people rejected the group which opted for an amnesty. They had to go back to where they came from. There are groups that opted for amnesty because they now have political opportunities. In fact, they are creating political parties. I believe those groups want peace, a different government, and a different life in Honduras, or ways to achieve development. There are also dissident groups, however, that do not believe in those who sought an amnesty, the government, or anyone; so they are dissidents who may be acting on their own. I also realized, when I recently traveled abroad, that lots of people, who were leftists in Honduras, now work in many European countries with important university professionals; and I do not think they still think about returning to Honduras to pick up a rifle, perhaps only to bring new ideas. In other words, they are people with open minds and new knowledge.

[Reporter] Might the gun running from El Salvador to Honduras jeopardize the electoral process? Will the Armed Forces increase their security measures to prevent a conflict?

[Discua] I definitely assure you that the Armed Forces will fulfill what is stipulated in the Constitution of the Republic and what is ordered by the president, our commanding general. As I said, the Armed Forces guarantee the elections will be carried out because that is a pledge we made to the people. There are Hondurans who do not want a democratic process. Let them state it openly and let them say why.

[Reporter] Is it true U.S. military members ran over a citizen with their vehicle in Comayagua?

[Discua] I read a newspaper report that said a captain had run over a pedestrian. Let me tell you: People must abide by the Honduran laws when we have this kind of problem, and the law must be enforced against all foreigners who drive in Honduras; and if they commit a crime they must be punished in Honduras. The law must be enforced and the cases we have had have been

punished. I believe people have been sent to jail for certain crimes they have committed. The law is enforced, let there be no doubt about it, but it must be enforced by the courts.

[Reporter] Why has the government tried to disregard the hunger that prevails in certain areas of the country? Why have the Armed Forces failed to offer more support to the Lenca Indians in Yamaranguila?

[Discua] The Armed Forces were the first to reach the Yamaranguila area. An airplane was sent so Antonio Rivas, deputy for that department, and the Public Security Forces commander in the region could carry out an inspection. The president of the Republic was immediately notified about the situation that arose in Yamaranguila. The 10th Battalion commander mobilized and sent military personnel to the region; Army vehicles are available to the deputy, whether he is a National Party or Liberal Party member, so he may carry food from Tegucigalpa to La Esperanza; and Air Force planes have been carrying food to 19 or 24 areas, where they have the greatest problems getting food.

[Reporter] What would the Armed Forces' role be if the United States exerts pressure for a civil war in Nicaragua or El Salvador?

[Discua] I wonder why you say Armed Forces. Remember the Armed Forces are under the Executive Branch; and any action they carry out is decided by the country, by the government, in other words, it is not the Armed Forces that makes the decision. I believe the decisions are made by the State and, if the State makes them, the Armed Forces must agree to fulfill their mission.

Underdeveloped, poor, dependent countries are normally subject to international pressure and we act out of sympathy. No one should be surprised if Honduras acts according to the pressure exerted by international organizations. Hence, Honduras and the Armed Forces, which belong to the government, are prepared to fulfill the central government's orders because we are subordinates of the Executive Branch.

[Reporter] Even if the orders violate national sovereignty?

[Discua] As I said, it is the foreign policy that must be defined.

[Reporter] Have you talked with the candidates and President Callejas so the Armed Forces' budget is not reduced?

[Discua] No, not the Armed Forces. I have always said each country must have Armed Forces that allow it to maintain its sovereignty and sovereign respect. Therefore, we must know what Armed Forces we should have. It is no maneuver, it is no plan. What we are doing is real, we have the information, it is obvious, and it is nothing like what you have asked us.

[Reporter] Speaking about peace, does peace still prevail in the Armed Forces?

[Discua] There has never been peace.

## President Interviewed on Missing Persons Investigation

*PA2708202393 Tegucigalpa Voz de Honduras Network in Spanish 1824 GMT 18 Aug 93*

[Interview with President Rafael Leonardo Callejas by unidentified reporters during the inauguration of two water works systems in Chichicaste and Yuscaran, Paraiso Department, on 18 August—recorded]

[Excerpt] [passage omitted] [Reporter] The Nicaraguan Army chief said Honduras is an obstacle for Central American integration. What is your opinion on this?

[Callejas] The Honduran Foreign Ministry has spoken out on this.

[Reporter] [Words indistinct] cannot reduce the size of the Army any further because they have a conflict with Honduras.

[Callejas] The Honduran Foreign Ministry spoke out in this regard. The Honduran Foreign Ministry has a very specific position in this regard and that is the official position of the government.

[Reporter] Mr. President, the Human Rights Commissioner has initiated a wide open investigation on missing persons. What is the opinion of the Executive Branch on it?

[Callejas] I believe any investigation aimed at clearing up the problem with the missing persons should not be used for demagogic purposes to accuse people, who have no responsibility in the problem. It should all be resolved in court. That is where all violations of the law and of the rights of citizens should be resolved. To look for other solutions is unreal and not in keeping with the national reality. I must note that when the Truth Commission was created in El Salvador, I said this type of commission was not advisable for Honduras. If one takes a good look at what happened with the Truth Commission in El Salvador, we would find out that in the end, the government of President Alfredo Cristiani had to promote an overall amnesty as a result of the deep wounds it was creating in Salvadoran society. That example, as many others, should not stay in the minds of Honduran society. That is why, as long as I am president of the Republic, I am not going to create any Truth Commission.

[Reporter] What about the congressional commission? What about its future? Will it be unable to conduct its investigations?

[Callejas] Absolutely not. It is the responsibility of the courts. I do not see why people want to disregard effective legal and judicial mechanisms. I do not know why people want to walk parallel roads that are not effective solutions according to Honduran law.

[Reporter] Do you share the opinion that the investigations should not be used as tools or weapons for political purposes?

[Callejas] Of course, but the opposition party has been doing it consistently, knowing very well that it is not true. Some organizations that used to stay away from political activities in the country are now getting involved in the topic of the missing persons. It is incredible.

I have just received some posters from Candelaria, Lempira, where the Cofadeh [Committee of Relatives of Missing Detainees in Honduras] created a picture of General Luis Alonso Discua and I saying we are responsible for the missing persons in Honduras. I believe these are positions that are not in keeping with the country's reality because they know these actions did not take place in my government. If they know who the responsible people are, why are they trying to involve me in actions of this type? They are simply doing it for political reasons, for which they are now losing credibility. They used to come up with proposals that were well-received and studied by the government, but today I see that their intention is political and party-oriented. This is not in keeping with the bests interests of Honduras.

[Reporter] The National Party is falling into the trap of the Liberals in this regard, Mr. President?

[Callejas] No, because we have seen, and the National Party leaders have told me, that it is not the responsibility of the National Party or the government. We should at least point to the periods in history in which these actions took place. They should be resolved in the courts. We must not fear the courts clearing up the crimes against society and against the country's citizens.

[Reporter] What about the investigation to be conducted by the Human Rights commissioner?

[Callejas] He has a mandate but he will probably provide the information to the courts. That is his duty, to continue with the investigations and to go to the courts so that people feel that the Honduran State respects human rights.

### Attorney General Delivers Report

*PA2608214193 Tegucigalpa LA TRIBUNA in Spanish 17 Aug 93 p 12*

[Excerpt] While uncertainty continues as to what happened and who is responsible for the missing people, yesterday, Attorney General Norma Cerna delivered a report, which was published by LA TRIBUNA on 14 August 1991, that she had to Human Rights Commissioner Leo Valladares.

The report was executed at the request of General Walter Lopez Reyes (retired), then Armed Forces commander in chief, in March 1985. The Prosecutor's Office possessed the report since 14 August 1991, when it was presented to Matute Murillo by former president Jose Azcona.

According to the contents, this is the third and last report presented by a commission of high officials appointed by Lopez Reyes in which the work of 90 days was resumed. The report states that "it was not possible to establish for a fact that military personnel had participated in the missing people incidents."

In addition, it states that "allegedly missing people were not found in any military or security installation detained or arrested." [passage omitted]

## Nicaragua

### Chamorro To Call UNO, FSLN for Dialogue

*PA2808035293 Panama City ACAN in Spanish 0209 GMT 28 Aug 93*

[Text] Managua, 27 Aug (ACAN - EFE)—On 27 August, Nicaraguan President Violeta Chamorro announced she will call leaders of the National Opposition Union (UNO) and the Sandinist National Liberation Front (FSLN) to a dialogue in the coming week to reach a "serious and lasting" national agreement. Chamorro made the announcement upon returning from El Salvador, where she participated in an extraordinary meeting of Central American presidents to study the integration process and the recent "hostage crisis" in Nicaragua.

The Nicaraguan president said she will make the call for dialogue with the help of a Central American presidential commission made up of the area's foreign ministers. The commission will be tasked with verifying fulfillment of the agreements reached by the government, UNO, and FSLN leaders. Chamorro said the commission will be organized based on a request she made to her Central American colleagues in San Salvador. She said the presidents offered "all their support" for the initiative.

On 21 August, the government called on FSLN and UNO leaders to seek a solution to the crisis created when two politically opposed groups took 70 people hostage in Managua and northern Nicaragua.

Just as tensions were peaking, the government, UNO, and the FSLN signed what has been officially called a "historic" agreement wherein the parties committed themselves to calling for the immediate and unconditional release of the hostages. They agreed to remove the obstacles that have heightened the political crisis and to bolster the mechanisms necessary for achieving stability in Nicaragua.

Now that the hostage situation has ended, the agreement is being questioned by the opposition coalition, which states that the commitment was signed while some UNO leaders had a gun to their head and others were "prisoners of the Sandinists."

## FSLN Reaffirms Support for Dialogue

*PA2908232693 Mexico City NOTIMEX in Spanish 1816 GMT 29 Aug 93*

[Text] Managua, 29 Aug (NOTIMEX)—The Sandinist National Liberation Front (FSLN) has reaffirmed its support for the initiative for a tripartite dialogue, which features an "open and unconditional" agenda and is subject to observation and verification by the Central American foreign ministers.

The Central American foreign ministers arrive in Managua this afternoon and will immediately begin a round of meetings with the leadership of the National Opposition Union (UNO) and the FSLN, Cardinal Miguel Obando y Bravo, and Violeta Chamorro's government. It is still unknown how long the foreign ministers of Panama, Julio Linares; Guatemala, Arturo Fajardo; Honduras, Mario Carias; Costa Rica, Bernd Niehaus; and El Salvador, Manuel Pacas will remain in Nicaragua.

The diplomats' mission is to collaborate in the drafting of an agenda for a tripartite dialogue in Nicaragua, which is expected to begin in the middle of this week. The foreign ministers will arrive in Nicaragua in accordance with a proposal the Central American presidents advanced during their meeting on Friday in San Salvador. The proposal calls for regional cooperation in resolving the political crisis in Nicaragua.

A resolution from the Sandinist Assembly, the FSLN's top decisionmaking body, supported the formation of the "group of friends of the dialogue," an initiative that was proposed by the Central American presidents.

In light of the double kidnapping of approximately 80 people in Quilali, in the northern part of the country, and in Managua, the Nicaraguan Government, UNO, and the FSLN decided to restart the political negotiations.

According to reports released today, the FSLN also resolved to demand the government "not adopt any new economic measures that may worsen the decline in productivity with its growing sequel of unemployment, poverty, and famine."

After the U.S. Senate's decision to suspend economic aid to this country, the government is reportedly preparing a number of adjustments to the economic plan to confront an eventual freeze of U.S. cooperation, according to political analysts.

In the tripartite agreement, the parties agreed to "remove obstacles" that have prevented a dialogue in parliament, as well as to approve a definitive property law and another law regarding the tenure of Army commanders. The Sandinist Assembly, which met on Saturday, declared itself on "permanent session" to follow-up and ratify the commitments agreed in an eventual "national salvation agreement."

## Lacayo Says U.S. Pressure Created Crisis Conditions

*PA2808005193 Managua Radio Corporacion in Spanish 2300 GMT 27 Aug 93*

[Report by Dario Elias from the "Five O'Clock Sharp" newscast"]

[Text] It is incredible, but Presidency Minister Antonio Lacayo is blaming the United States for the hostage crisis. Lacayo, a ranking government official, told a group of U.S. reporters that pressure from Washington created the conditions that led to the recently resolved hostage situation. Dario Elias has the report:

[Begin recording] [Elias] Presidency Minister Antonio Lacayo said the suspension of U.S. economic assistance to Nicaragua in 1992 helped create instability in the country and aggravated the social situation in Nicaragua. Lacayo said, during a news conference with U.S. reporters, that it is no coincidence that the recently ended hostage situation occurred at a time when the U.S. Congress was again threatening to suspend U.S. aid. He said such measures have a strong negative impact on Nicaraguan society.

[Lacayo] The suspension of aid had a dramatic impact on the reconciliation process in Nicaragua and heightened political polarization in the country [words indistinct].

[Elias] Lacayo said such threats are negative and encourage political parties on both the right and left to harden their positions toward President Violeta Chamorro's administration. [end recording]

## D. Ortega Trusts 'Constructive' U.S. Attitude on Aid

*PA2608195693 Paris AFP in Spanish 1834 GMT 26 Aug 93*

[Excerpt] Managua, 26 Aug (AFP)—Former President Daniel Ortega today said he trusts the "constructive" attitude shown by the U.S. Government During the hostage crisis will contribute so that the [la crisis de los sequestros contribuira para que el] U.S. Congress will not freeze aid for Nicaragua.

Speaking to the media, Ortega said that if the U.S. Congress confirms the Senate's decision to suspend economic assistance, this will increase tensions in Nicaragua in view of the government's lack of resources to solve the people's problems.

"If the assistance for Nicaragua is blocked, this would add more wood to the fire" of this country's crisis, the former president added. [passage omitted]

## Arms Inventory Presented to OAS, UN

*PA2808183893 Managua Sistema Nacional de Television Network in Spanish 0230 GMT 24 Aug 93*

[Text] Nicaragua presented its inventory of weapons to the United Nations and OAS. Both organizations will make in situ visits to the country's military installations. This is the third inventory that Nicaragua has presented to the United Nations and OAS as part of the Central American governments' pledge to achieve peace, democracy, and development in Central America.

The Governments of Guatemala, El Salvador, and Panama have not presented inventories to these two organizations. The OAS mission is headed by (Dr. Ricardo Jiboge), special adviser to the secretary general. Attending for the United Nations was a representative of Dr. Francisco Vincenti. The Nicaraguan deputy foreign minister [Jose Pallais] said Nicaragua has a firm commitment to peace and democracy.

[Begin Pallais recording] For Nicaragua, this is an additional and profound step in its commitment to peace, the elimination of weapons, and the consolidation of a Central America governed by the principles of peace and democracy. [end recording]

The inventory presented by Nicaragua contains the serial numbers of all the rockets and firing mechanisms registered.

[Begin Pallais recording] Today we are inviting you to participate in the inventory of one of our main weapons: portable surface-to-air missiles. A full physical inventory of all these missiles will begin on 24 August with the participation of the organizations we have invited. We have also extended invitations to the military attaches of friendly countries that are so represented in Nicaragua. [end recording]

The presentation of the inventory was attended by all the military attaches of the countries accredited in Nicaragua.

## Sandinist Press Defends Humberto Ortega

*93P20307A*

### NICARAGUA: Sandinist Press Defends Humberto Ortega

[Editorial Report] A commentary by BARRICADA editor Carlos Chamorro calling for an end to Humberto Ortega's tenure as chief of the Armed Forces sparked a response in the Sandinist press in support of the general. Sandinist commentators, including even the editorial board of BARRICADA, warn that the ultimate goal of the United States and the right wing in calling for Ortega's removal is the disappearance of the Sandinist People's Army (EPS). They mention as particularly guilty of this intention U.S. Senator Jessie Helms, Higher Council of Private Enterprise (Cosep) leader Ramiro Gurdian, and former National Assembly president Alfredo Cesar. The commentators also praise Humberto Ortega's leadership and achievements, past and present.

In the 5 August Managua daily BARRICADA, Chamorro cites two reasons why Humberto Ortega should be removed once a new military law is in place: "First, it is extremely risky to identify the institutionalization of the EPS with one person's leadership.... Second, given the importance of the Army's support for national stability, it is essential to endow it with a solid institutional juridical base so as to prevent...a void, which invites foreign powers to make decisions or exert pressure on issues which are none of their concern." Chamorro acknowledges Ortega's achievements in leading the Army through a period of transition, during which reductions in force took place, and cautions that his removal "will not save the country." He argues, however, that should Ortega resign once the new military law is passed, his leaving "would strengthen his legitimacy," which in turn would benefit the military. [For text of commentary see FBIS-LAT-93-166]

Just a few days later an editorial appeared in BARRICADA which took a diametrically opposed position but did not mention the Chamorro commentary. The 7 August editorial titled "Dance to Our Own Music," in response to Cosep's call for the removal of Humberto Ortega and Presidency Minister Antonio Lacayo, calls on Nicaraguans to decide for themselves and reject the "immoral and shameful blackmail" by a country which "seeks to set itself up as the sole leader of the international community."

In a commentary published in the 6 August issue of BARRICADA and in the more radical Managua daily EL NUEVO DIARIO Julio Lopez Campos argues that a bad precedent was set when the Nicaraguan Government "negotiated away, for a few dollars more, then Chief of the National Police Rene Vivas" given that "imperialists are insatiable and voracious in matters of concessions.... The objective is clear: the dismantling and ultimate destruction of the Armed Forces, the EPS in particular." Lopez states that although he does not agree with Humberto's political arrogance, or many of his privileges, he "never doubted his patriotic and revolutionary intentions.... Personal differences and resentments have no place at important times, unless we wish to make public our personal weaknesses." Lopez remarks: "The Army ceased to be partisan some time ago," as the result of "a process which began long before the electoral defeat." Lopez concedes that this nonpartisan condition of the Army has been difficult for Sandinists to accept, and that rightly or wrongly it has inspired "the distrust of many rank and file Sandinists." Lopez calls on all Sandinists "to move to the political offensive.... To defend the EPS is everyone's task.... By means of reason or force...let's make no costly concessions in matters of national security to the Helmses and Gurdians."

A Sergio Ramirez commentary, which was published in the 6 August Managua weekly EL SEMANARIO and also in EL NUEVO DIARIO, maintains that because of "the Clinton administration's ineptitude in defining its foreign policy," the U.S. policy toward Nicaragua is being carried out by "Jessie Helms' staff," whose goal is

"to wipe out the Sandinists from the face of Nicaragua." Ramirez notes that according to Alfredo Cesar, who he called "Helms' authorized spokesperson in Nicaragua," U.S. aid will only be released when General Humberto Ortega goes, "and that is just for starters." Ramirez argues that while the EPS "has never conspired against" the government, "which is what has occurred in other Latin American countries," Helms and Cesar seek to establish "a new National Guard...whose first task would be to repress and hunt down Sandinists." Ramirez describes the EPS as having played a "revolutionary and patriotic role since the change of government in 1990...with General Humberto Ortega at the helm," whom he contrasts with Pedro el Hondureno, leader of the Peasant-Worker Revolutionary Front, "an irregular force, made up largely of peasants deceived by demagogy." Instead of rewarding the EPS, "the U.S. Senate, fueled and directed by Helms, is punishing the Nicaraguan Government for tolerating an armed institution which is neither coupist nor disrespectful of the laws, but which does not fit the ideological parameters of the U.S. fundamentalist right wing." Ramirez warns against "returning to the past" and supports the Army "committed to a project that is a vital part of a worthy nation which we must preserve and defend." [For text of commentary see FBIS-LAT-93-151]

Francisco Bravo Lacayo, in the 7 August EL NUEVO DIARIO, charges that the far right seeks not just the end of Humberto Ortega, but the end of the EPS, because "the U.S. far right...is threatening to annihilate all vestiges of resistance to its hegemonic plans in the Third World countries." Bravo argues that Cosep should be pleased with the way the EPS handles workers' protests, and that it has no right to be "an accomplice of foreign blackmail."

### * Commentary Calls on General Ortega To Step Down

*93CA0185A Managua BARRICADA in Spanish*
*5 Aug 93 p 11*

[Carlos F. Chamorro B. Commentary]

[Text] In October of last year, in response to some statements made by General Ortega linking his tenure as head of the Army to the culmination of the professionalization process in that institution, which he then said would take place by 1997, I cited the need for the Military Law to set a limit to the term served by the commander in chief of the Army.

At that time I wielded two arguments that have become even more important today. The first is that it is extremely risky to identify the institutionalization of the Sandinist People's Army (EPS) with the leadership of a single person. In saying this, I recognize the undeniable merits of the current head of the Army during the transition period, as he has steered the complex process of shrinking that institution (a process that culminated on 2 September 1992) and the unobjectionable depoliticizing of the EPS. No other political-military leader had Humberto Ortega's ability to accomplish these tasks. Nevertheless, after three and a half years in government, this brilliant performance has suffered considerable wear and tear, to the detriment of the Army itself.

The second reason is that, given the important role the Army has to play in shoring up national stability, it urgently needs a solid legal-institutional foundation so that there will be no ambiguities subject to the whims of election results, or vacuums that invite foreign powers to exert influence and pressure on decisions that are none of their business. And the most effective way to strengthen the legitimacy of national institutions is to give them the imprimatur of the law, preferably through a consensus enriched by a public debate.

For reasons that have not been explained, the announced reform bill has not yet reached the National Assembly. This failure has undermined the credibility of the government's claims that it intends to move toward institutionalization. Meanwhile, General Ortega's constant incursions into politics have had counterproductive effects, aggravating the climate of political polarization.

Consider the latest speech he gave, last Friday. His denunciation of any initiative to reform the Constitution (one of the few unexplored avenues of national understanding) as part of an extremist plot of leftists and rightists has been unanimously rejected, and has done nothing for the Armed Forces or for the government he is defending. He should honestly admit that such incursions are incompatible with the democratic process we are trying to salvage.

#### Culminate Institutionalization

In an interview published in BARRICADA last December, General Ortega suggested that he would be willing to step down as head of the EPS at the end of a shorter term than that called for in the law. There is no doubt at all that this is a patriotic attitude that should be explored in a responsible way to determine the proper political timing of his retirement. November 1995, in my opinion, is a deadline that is totally divorced from political reality.

On the other hand, I am convinced, as a Sandinist, that the best way to time it is to link it directly to the passage of the Military Law. General Ortega cannot abandon his post before he has strengthened the process of institutionalization in the Army, which should take shape as the Military Law and other laws governing the Armed Forces are amended. But at the same time, for the benefit of the military institution, Ortega should pave the way for a new leader to be chosen, according to the procedure established by the law, after it has been passed by the National Assembly. This would mark the culmination of a project in which Humberto Ortega has played a key role.

A prior announcement to this effect by the chief of the Army would place the passage of the legislation in the proper perspective.

General Ortega's resignation at the moment the law is passed in this legislative session would be good for him and for everyone. But the main beneficiary would be the Armed Forces, since they would see their legitimacy fortified without regard to individual persons.

Furthermore, it would be an act of irresponsibility on everyone's part to allow the current course of events to continue, that is, to allow institutional questions of military leadership to be aired at the bargaining table in negotiations between the National Opposition Union (UNO) and the Sandinist National Liberation Front (FSLN), or between the Chamorro government and the Clinton administration. If that were to happen, it would put yet another obstacle in the way of the national salvation for which General Ortega himself has fought so tenaciously and with such widely recognized personal valor, setting an example for the nation in the effort at pacification.

But we must understand clearly that General Ortega's retirement will not solve all our national problems. It is not true that his departure would mean the salvation of the country. To achieve that, we must attack the structural causes of our polarization: property ownership, the socioeconomic crisis, and the paucity of democracy. Otherwise, the nation will continue to follow the path to destruction.

For this reason, it is imperative, once and for all, that we focus on this task by removing the issue of the Army's role from the tangle of national issues and consummating its institutional stability.

## * FSLN Extraordinary Congress Examined

### * Need Explained

*93CA0178A Managua EL NUEVO DIARIO in Spanish 23 Jul 93 p 6*

[Francisco Hernandez Segura Commentary]

[Text] Various opinions have been expressed in the FSLN [Sandinist National Liberation Front] about holding the Extraordinary Party Congress that the organization's secretary general is to announce or propose in his speech during the ceremony marking the 14th anniversary of the 1979 triumph of the revolution.

But the many activists and sympathizers who have been urging the party to renew or reorganize Nicaragua's largest and hardest fighting political party applaud Daniel Ortega's proposal.

Only our country's political hacks (who show no shame at their statements) deny the numerical, political, and ideological vigor of the FSLN.

But committed Sandinists must recognize that the party needs change. The party should reach out to create ties (political and social ties to the Nicaraguan masses), especially with movements that still do not understand why bourgeois politicians continue to conspire against social peace and against the democratic system that the Sandinist People's Revolution institutionalized.

The Extraordinary Congress (which could be held next February, commemorating the assassination of the General of Free Men) should concentrate on creating **realistic programs** that reflect the demands of the vast majority of the Nicaraguan people, and propose practical solutions to guide the nation's course toward the future. That future is today being strangled by the neoliberal policies imposed by the government of Mrs. Violeta Barrios, at the behest of the usurers and moneylenders who operate within the guidelines designed by the World Bank or the International Monetary Fund.

As Comandante Daniel Ortega will say, the Extraordinary Congress should establish rules to depersonalize the party's actions. In that way its resolutions will become manifestations or pronouncements of the grassroots.

Those who oppose holding this **Extraordinary Congress** to strengthen the FSLN's march toward the future continue to promote the idea of the **good old days when everything was better**....

### * Agenda Suggested

*93CA0178B Managua EL NUEVO DIARIO in Spanish 30 Jul 93 p 4*

[Reinaldo Antonio Tefel Commentary]

[Text] Good preparation and a fair and open election of delegates to the Congress are not enough to enable it to fully attain its objectives. It is also necessary to prepare a good and well-organized agenda that will respond to our current needs and those of the foreseeable future in the mid- and long-term. In view of this need, I will now propose the following possible agenda for the Sandinist debate:

#### 1. Mid- and Long-Term Strategic Project

A viable goal toward a utopia is needed on the political horizon to keep the people who are working for a better future united.

- It seems to me that the first thing we should do in this area is condemn neoliberalism and its disastrous social, economic, political, and cultural consequences in all the countries where it has been applied. (I will soon publish an article on this issue).
- Acting with other progressive parties and movements, we should proclaim a democratic, humanist, and Latin American **neosocialism**. This is not an attempt to create a closed model, but rather an open and democratic route toward a new humanist socialism. Nor is it an attempt to convert the party into a

"Philosophical Academy" or engage it in interminable byzantine ideological debates, but rather to trace the major outlines of political thought. (I will also publish another article on this extremely important issue).

**2. National Democratic Project**

There is no nation or state until the people have reached a general consensus or basic understanding on the fundamental and motivating ideas that give life to a National Democratic Project on which the coexistence of all sectors is founded. There must also be a general consensus concerning the written and real constitution of the republic, the state of law, the functions of the state and the restrictions and relations between public and private (how far can privatization go?), the creation and enforcement of the laws, relations among state powers, promotion of and respect for human rights, equity and justice in economic and social relations, the foundations of economic and social policy, relations and types of individual, social, and state property, etc.

A national unity government like the one Daniel Ortega has proposed, during the current constitutional period and under the presidency of President Chamorro, could be the start of the National Democratic Project. However, if this is not done, we Sandinists will have to establish it after winning the next elections. The nation is deteriorating to such a point that no political party by itself could rescue Nicaragua from this situation. We need consensus and everyone's support.

**3. Viable Alternative Socioeconomic Project**

- The FSLN's [Sandinist National Liberation Front] proposal to the government to create a true coalition of all the political, economic, and social forces, changing the course of economic policy and introducing a significant component of social equity, is only the start of the Alternative Project, and this must be emphasized constantly. We do not want the impoverishment of the people to continue, even though some may believe that this works to our party's advantage.
- An Alternative Socioeconomic Project needs to be presented for discussion by Congress. This will not only be a campaign issue in the next elections; it will also be basically viable when we take office after the election victory.

The central axis of economic growth must be equity and social justice. The measure of economics is the human being. Consequently, there is no true development unless it is integral: human, economic, social, political, and cultural.

**4. Relations With the Government**

Improve relations with the government, with other political parties, with social movements, and people's organizations.

**5. Relations With the United States**

Improve relations with the United States on a footing of moral equality and mutual respect, with Central America—possibility of Central American integration, with Latin America,—with the European Community, with the industrialized nations of Asia and with the Third World countries.

**6. Restructuring the FSLN, the National Executive Board**

The Party's restructuring must start with the Sandinist Assembly's approval of new participatory electoral rules, with their application to renew all the party structures, to elect national delegates, and elect the new national leadership to Congress. The national leadership has carried out its formidable historic role, but at the present time it has been diluted and diminished. A new leadership organization is needed. I am proposing for the fraternal discussion of the Sandinist people a National Executive Board composed of 21 members, which will meet monthly.

To handle operational matters there will be a Standing Committee composed of seven national secretaries elected by the Congress from among the 21 board members. The Standing Committee will meet weekly and whenever necessary, and its decisions will be submitted to the monthly board meeting. In addition, the National Executive Board will report and submit its actions and decisions to the Sandinist Assembly which may meet every four months.

**The Present Members of the DN [National Leadership] May Be Candidates for the National Executive Board.**

**7. This proposal requires reforming the bylaws; this would, of course, have to be done before the election.**

An Electoral Regulation will have to be approved, in addition to a Transparent Regulation Covering Party Property.

**8. Election of the National Executive Board, of the Ethics Commission, and of the Sandinist Assembly.**

## * Commentary Questions FSLN Strength

*93CA0179A Managua LA PRENSA in Spanish 23 Jul 93 p 14*

[Horacio Ruiz Commentary]

[Text] Some interesting ideas recently appeared in the Sandinist daily BARRICADA; first, the poet Ernesto Cardenal introduced the idea of dismissing the entire National Board, with the exception, it is believed, of Dr. Sergio Ramirez, whom Cardenal finds may be the only viable figure (in terms of votes) left to Sandinism for 1996.

That is a revolutionary idea in itself, but it was soon surpassed by Reinaldo Tefel, who said in a later article

that the 19 July rally in the Plaza de la Republica may produce a dangerous electoral illusion for the red and black [Sandinist] party.

Tefel, who is well known for his political acumen and experience, applies the following logic: if 40,000 or 50,000 turn out to support a party in the plaza, this does not mean that party is going to win an election in which they need many more than 40,000 or 50,000 votes.

Tefel analyzes politics with the great skill of a rational man, subtracting from those who were absent, rather than adding to the numbers present. Those present in the plaza, he says with his solid line of reasoning, are certain Sandinist voters; at the time of the elections, the party will need to attract the votes of those who were not present. Thousands and thousands who do not vote remain a party mystique.

The political analyst and sociologist recalls that on 21 February 1990 Sandinism put a half million people, not in the plaza, but in a large section of Managua because the plaza had been filled to overflowing. And that was essentially the number of votes that Sandinism carried on 25 February of that same year, when it suffered a resounding defeat. At that time all the Sandinist voters turned out. In other words, if we are going to judge by the Sandinist Party's rally of 50,000 people on 19 July, we should assume, if the elections were held today, that the Sandinists would get just about... 50,000 votes.

Tefel notes that the people who have to be persuaded to turn out to vote are the ones who do not take part in political rallies, and he warns his party comrades that it is better not to harbor any great illusions, so that in 1996 it will not suffer a disappointment like the one in 1990.

Mr. Tefel seems to be the only person keeping a cool head amid the heated Sandinist emotions surrounding 19 July. Sandinism certainly showed a revitalization of its ranks, and even more important, an improvement in the defeatist attitude left by its loss in 1990.

Sandinism, which was almost depleted, has also been revitalized by the oxygen given it by Minister of the Presidency Antonio Lacayo.

But it is a long way from that point to asserting that Sandinism will win the 1996 elections. Of course the large turnout fascinates and may lead to illusions, but Tefel's reasoning is correct.

There is another point of confusion about the 50,000 who turned out in the plaza. It occurred when Secretary Ortega said that there are 120,000 people all over the country affiliated with Sandinism, that is, people with a party card or registered as Sandinists. But he did not bother to explain why 70,000 of these members or sympathizers were absent. Ortega so badly fears a shrinkage of the membership of the red and black party that he called for the Extraordinary Congress that will be open to anyone, even to people who are not Sandinists or members of the FSLN [Sandinist National Liberation Front]. That is a clear confession, although expressed with some confusion, that Ortega knows that his party "does not have it all together" and also political nonsense, since nobody attends a party meeting who is not a member of that party. Here Ortega showed an eagerness to have not only his party, but the entire country, accept him as its leader, an unreal and impossible situation.

We have the impression that the Sandinist leaders are once again on the way to deceiving themselves about their true vote-getting power, for in 1990 they were the party with the largest number of voters. That is what the election numbers reflected. But perhaps it cannot be said absolutely, since it is not known if of the 800,000 voters who supported UNO [National Opposition Union] there were or were not, for example, more liberals or conservatives than Sandinist voters. The truth is that the 1990 elections demonstrated that Sandinism on its own could turn out the most votes in that election, but it did not show in a convincing manner that it is the party with the greatest number of supporters in Nicaragua.

Even the FSLN's secretary general, Daniel Ortega, said a few weeks ago, speaking about the lack of spirit in Sandinism three years after its great defeat, that the Sandinists' approval rating, in their own polls, is now barely 22 percent.

The 19 July rally can not contradict that statement by Mr. Ortega. There are, however, some interesting factors that have arisen and that will multiply in an even more interesting way between now and 1996. Children and adolescents in 1990 are now approaching voting age. People who were adolescents in 1990 may be able to vote in 1996. The electoral population will be larger and newer in 1996.

That is why, according to the Supreme Electoral Council, in 1996 a powerful electoral force of a million persons should be added to the 1990 pool of voters. The Sandinist family certainly must have grown since 1990, but the same can also be said of all the other parties, where hundreds of thousands of new citizens have grown up with ideas opposed to Sandinism, and they will see if Sandinism continues as it has been and as it is now, to be something obsolete in 1996.

The electorate in 1996 will consist of 2.2 million persons, so a party that wants to win should prepare to attract at least 1.1 million voters. Compared with those figures, 50,000 in the plaza really seems insignificant.

## Panama

### U.S. Asks Government To Keep Weapons Deal Secret

*PA2608160393 Panama City EL PANAMA AMERICA in Spanish 25 Aug 93*

[Report by Carlos Vargas]

[Text] Yesterday, Jose Nelson Brandao, institutional director of public security affairs of the Government and

Justice Ministry, said the U.S. Treasury Department asked the Panamanian Government last April to keep the investigations of the attempt to purchase weapons in the Czech Republic secret in order to establish if the weapons would be sent to the Bosnian conflict.

Through the Czech Republic Terrorism Police, U.S. Treasury official Rafael G. Lopez "alerted" the Panamanian Government about the existence of a certificate to purchase weapons issued by the Barcelona Consulate, although he asked the government to keep the information confidential, Brandao explained.

Because he is out of the country, Government Minister Juan Chevalier did not attend the hearing by the Legislative Assembly Foreign Relations Committee, which is investigating the trafficking of Czech weapons, but Deputy Minister Carlos Trujillo and Brandao were there.

Brandao confirmed that at the request of the Czech police, Lopez contacted the Panamanian authorities last April to certify if the document signed by Vice Consul in Barcelona Victoria Uribe was false or authentic. The Panamanian Government responded by disavowing the certificate.

Brandao's remarks annoyed some opposition legislators, such as Alfredo Ehlers and Guillermo Cochez, who strongly questioned Panama handling the investigation through "irregular" channels with a low-ranking U.S. Government official. Brandao said the government was in contact with the U.S. Treasury official because police matters require the use of means to avoid red tape and capture offenders.

Afterwards, this same U.S. official provided Panama with an official report on the people who are implicated, detained, or under arrest or are fugitives in connection with the operation by the Czech police on the fraudulent weapons purchase.

The U.S. Treasury report confirmed that no Panamanian citizen was accused or under investigation by Czech police in this matter, Brandao affirmed. The official added that Czech police are conducting an investigation to arrest Robert Breiner, the representative of the company that requested the weapons, as they believe Breiner is living in Prague.

### Commerce Minister Denies Debt, Weapons Swap

*PA2608160093 Panama City EL SIGLO in Spanish 21 Aug 93 pp 1,8*

[Report by Roberto Rolando Rodriguez]

[Text] Commerce and Industries Minister Roberto Alfaro denied newspaper reports originating from Caracas, Venezuela, asserting that Panama had suggested swapping its crude oil debt with Venezuela in exchange for a Panamanian weapons company.

Alfaro stated that this type of transaction had not been discussed at any time. In addition, Alfaro indicated that he is unaware of where such reports, disclosed in Venezuela by South American journalist Jose Vicente Rangel and in Panama by Channel 13, originated. "This is merely political gossip the objective of which is unknown," Alfaro stated while insisting that the reports "are baseless" since there have never been any talks related to the exchanging crude oil debt for weapons.

Rangel, the host of a Caracas, Venezuela television program, stated that the Panamanian Government had proposed selling a weapons factory worth 130 million balboas. It was also said that President Guillermo Endara himself could have had some interest.

Upon listening to Rangel's statements made in Caracas, President Endara contacted Panamanian Channel 13 to deny Rangel's allegations. Endara pointed out that there has never been any attempt to exchange the oil debt for guns.

Panama's crude oil debt, which is currently being renegotiated, amounts to more than 300 million balboas. Minister Roberto Alfaro, who is also head of the renegotiation team, stated that at no time has there been talks on swapping debt for weapons.

Alfaro disclosed that with respect to the Panamanian crude oil debt proposal, Venezuela had replied that there are still several years remaining until the country is scheduled to repay. On the other hand, a reply is still expected from the Mexican Government.

According to Alfaro, the proposal presented to Mexico and Venezuela is reasonable, satisfactory, and appropriate to initiate a renegotiation process, in addition to being the most Panama can propose.

In conclusion, the head of the Commerce and Industries Ministry (MICI) said that once payment had been renegotiated and contract issues had been clarified, Panama could begin to repay its financial obligations.

### Government, Police Disclose CDSN Surveillance

*PA2808183993 Panama City LA ESTRELLA DE PANAMA in Spanish 23 Aug 93 p 1*

[Report by James Aparicio]

[Text] Ranking government and police sources have disclosed that diplomats from Cuba, Libya, and Korea, influential Panamanian businessmen, former soldiers, former Vice President Ricardo Arias Calderon and the opposition Democratic Revolutionary Party (PRD) have been "targets" of intelligence operations, investigations, and tracking by members of the Presidency of the Republic's Council for Public Security and National Defense (CDSN), [also known by the acronyms CONASEPUDEN and CSPDN].

The CDSN, a body that replaced General Manuel Antonio Noriega's political police (G2), operates out of Building Eight at the defunct Fort Amador, and its director is economist and former Finance and Treasury Minister Menalco Solis. According to an investigation

conducted by LA ESTRELLA DE PANAMA, the CDSN has its administrative offices at the old dock at the Presidency but maintains satellite offices in the capital and in Colon Province.

LA ESTRELLA DE PANAMA also confirmed that the CDSN has undercover agents at the Judicial Technical Police (PTJ), National Police, Government and Justice Ministry, Commerce and Industry Ministry, General Comptrollership, and Police Investigation and Information Department (DIIP).

LA ESTRELLA DE PANAMA confirmed that in Building Eight, Fort Amador, there is an office called "the cold room" where the CDSN keeps electronic equipment used to tap [pinchar] the telephones of approximately 300 people "with the support of an agent recruited by the National Institute of Telecommunications." The office, which operates 24 hours a day, is equipped with control panels and tape recorders that are operated by four female CDSN agents. In 1992, LA ESTRELLA DE PANAMA reported that telephonic espionage against opposition politicians, businessmen, diplomats, and even journalists was taking place from Fort Amador.

Regarding the tracking of diplomats and Cubans, the initial operations, which were executed three years ago, began with surveillance, tracking by vehicles and by foot, the taking of photographs, and the recruitment of civilian personnel involved with the targets of the investigation, particularly secretaries, doormen, security guards, or custodians. "The Koreans were investigated due to their involvement with certain former soldiers," the sources said.

The CDSN's approximately 45 agents were employed as accounting or administrative aides at the Presidency Ministry; they were trained at the Political Police School in Taipei, Taiwan, and took courses given by U.S. Army and CIA experts in counterterrorism.

Among the PRD "targets" subjected to tracking are Legislators Balbina Herrera, Gerardo Gonzalez (current PRD president), and Miguel Bush. The PRD convention on 31 July at the Atlapa Convention Center was also the subject of "a grand operation" by the CDSN, which is not subject to budgetary or legal controls by the legislature, as is the case in other countries that have a similar political police. The police and a ranking member of the PRD confirmed the presence of CDSN agents at the political convention. The CDSN has also investigated PRD officials, the country's leading left-wing groups, and at least two law firms identified as "left wing or socialist."

## Argentina

### Articles Views U.S.-U.K. Relations, New Order

*PY2708221593 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1720 GMT 27 Aug 93*

[Report by Mariano Guttman]

[Text] Buenos Aires, 27 Aug (NA)—No one can help noticing that in the new international order that started with the fall of the Berlin Wall, old friendships have more weight than circumstantial alliances.

London's influence over Washington to block the delivery of Westinghouse radars for the A-4M planes purchased by the Argentine Government is the clearest proof of this influence and makes clear that Buenos Aires' gestures to get U.S. favors are, poetically speaking, shadows in the air.

The government efforts sending ships to the Persian Gulf and blue helmet detachments to Croatia were to no avail.

All proofs of the Argentine Government's love for the United States through the policy of "carnal relations" inaugurated by Foreign Minister Guido Di Tella seem to dissipate in the air. Perhaps they will be reappraised for a more pragmatic future.

It was clear that the United Kingdom's friendship with the great world power prevailed. This friendship is based on the experience of armies that fought side by side in two world wars. It was decisive during the Malvinas Islands armed conflict in defeating our heroic Argentine soldiers.

Without a doubt, the blocking of the Argentine wish to rearm has to do with the events in the southern archipelago 11 years ago when the Argentine Air Force played a distinguished role.

The British think the 36 A-4M planes purchased by Argentina are a potential threat in the South Atlantic.

Apparently Argentina is willing to ask the United States to reconsider its decision, or to try negotiating with London and the United Nations to liberate the radars. However, it will have to offer some kind of guarantees.

Added to all this is the controversy between the Foreign Ministry and the Defense Ministry regarding the steps to follow.

Everything began when Deputy Foreign Minister Fernando Petrella told a magazine journalist that he would be willing to receive the planes, even if they are not equipped with the radars.

But Defense Minister Oscar Camilion immediately called Foreign Minister Guido Di Tella to explain that the deal was under his jurisdiction.

Camilion even admitted the possibility of purchasing the radars "outside the United States," possibly from another NATO member country or Israel.

Camilion says the radars "are indispensable for the use of the planes," and will use all his influence in the international arena to see that the operation does not fail.

It is worth noting that Camilion was foreign minister during General Roberto Eduardo Viola's de facto government and is considered a "friend" of the United States.

Meanwhile, the resignation of Justicialist Deputy Carlos Ruckauf as a deputy has left open the question as to who will head the Chamber of Deputies Foreign Relations Committee.

The former ambassador to Italy and current interior minister is one of President Carlos Menem's trusted men. During his tenure at the head of the Foreign Relations Committee, he used his skills to negotiate and get the consensus of his Radical [Radical Civic Union] colleagues on matters pertaining to foreign relations.

Next week the Justicialist bloc presided over by Jorge Matzkin will have to appoint a successor because the committee's first vice president is no more and no less than former Foreign Minister Dante Caputo.

### South Africa's De Klerk Arrives in Buenos Aires

*PY2808155793 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0239 GMT 28 Aug 93*

[Text] Buenos Aires, 27 Aug (NA)—South African President Frederik de Klerk today began an official 24-hour visit during which he will meet with his Argentine colleague Carlos Menem to strengthen ties between the two countries.

Tomorrow morning De Klerk will receive an honorary title from the Argentine International Relations Council, and he will then lay a flower wreath before the San Martin monument on San Martin square. At 1530 he will hold a meeting with President Menem during which they will analyze subjects linked with international policy and the South African institutional process.

According to an Argentine Foreign Ministry communique, De Klerk will then be honored with a dinner.

Foreign Minister Guido Di Tella received De Klerk this evening at Ezeiza International Airport as he arrived from Santiago de Chile [as received] as part of a tour that includes Paraguay and Uruguay.

This is the first time a South African president has visited Argentina since the reestablishment of diplomatic relations between the two countries in 1991. Relations had been interrupted during the administration of President Raul Alfonsin given the racial segregation regime that prevailed in South Africa.

De Klerk is accompanied by his wife and members of his cabinet, and he will stay in a downtown hotel. He will give a news conference tomorrow at 2100 and he will return to his country on 29 August at 1500.

### Meets Menem, Ends Visit

*PY2908032693 Madrid EFE in Spanish 0145 GMT 29 Aug 93*

[Text] Buenos Aires, 28 Aug (EFE)—South African President Frederick de Klerk today concluded an official 24-hour visit after meeting with President Carlos Menem, whom he congratulated for "the success of the political and economic reforms taking place in Argentina."

In a news conference minutes before departing for Pretoria, de Klerk labeled his stay in Buenos Aires "as very fruitful."

With his departure President de Klerk concluded a South American tour that began on 22 August in Chile and then continued in Uruguay and Paraguay.

Regarding the political process in South Africa where the first elections without racial or political proscriptions will be held on 27 April 1994, de Klerk said he hopes "to carry out the scheduled institutional changes peacefully."

He criticized, however, the people who "oppose" the integration process started by his government "because they are not cooperating with this stage of the transition for a united and democratic South Africa" to put an end to "apartheid."

Last night Presidents Menem and de Klerk had a private dinner in the Olivos presidential residence six km from Buenos Aires to discuss the political situation in their two countries.

This morning the two presidents met again during a luncheon in Olivos to discuss bilateral relations.

After the luncheon Menem invited de Klerk to play golf on the course he has at the residence, which pleased de Klerk, according to Argentine diplomatic sources.

### Poll Shows Few Support Presidential Reelection

*PY2808193393 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1515 GMT 28 Aug 93*

[Text] Buenos Aires, 28 Aug (NA)—According to a poll conducted by a private organization, barely 29.3 percent of the population favor President Carlos Menem's reelection while 41.4 percent believe a constitutional reform is necessary.

The figures are included in a poll conducted by the Unity for the New Majority Studies Center. A total of 1,000 people were polled in the federal capital and greater Buenos Aires.

Concerning Menem's reelection, the majority of the people polled are against it as 53 percent of them expressed their opposition to the idea of allowing him to run for a new term.

Most of the 29.3 percent of the people favoring Menem's reelection in 1995 are justicialists and liberals while very few Radical Civic Union [UCR] supporters and leftists believe that the president should be given a chance to seek reelection.

Concerning the constitutional reform, 41.4 percent of the people polled believe that it should be conducted while 24.4 percent believe that it is not necessary.

The constitutional reform issue is treated the same way as the reelection issue, depending on party support. Most of the people favoring constitutional reform are Peronists or UCeDe [Democratic Center Union] supporters while UCR supporters and leftists are mostly against it.

### Menem Gives Economy Minister Advice on Politics

*PY2808194593 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1129 GMT 28 Aug 93*

[Text] Santa Fe, 28 Aug (NA)—President Carlos Menem reminded Economy Minister Domingo Cavallo of the fact that his recent involvement in politics "may elicit a response" from the opposition "unless one is an expert" in this field.

Hinting at a challenge issued by the economy minister to Cordoba Governor Eduardo Angeloz to hold a debate, the president yesterday pointed out: "Cavallo also became seriously involved—the first time he has, I believe—in the political field."

In this regard and—perhaps—willing to remind his cabinet member of the fact that he is only an expert in economic matters, Menem cautioned him that "there are various types of criticism around that encourage a response unless one is an expert in politics."

In a message clearly addressed to Cavallo, Menem emphasized his status as the government's single and unchallengeable leader. Menem further emphasized that the minister "and all his assistants have finally understood that unless there is firm political leadership, nothing works within the framework of our country's democracy and liberty."

Menem pointed out: "I want to congratulate him (Cavallo) regardless of some remarks that I may or may not like." Menem emphasized the economy minister's "courageous speech" in the political field "because politics takes precedence over economics."

### Provinces Warned Against Issuing Foreign Debt Bonds

*PY2808030393 Buenos Aires LA PRENSA in Spanish 27 Aug 93 p 1*

[Text] Economy Minister Domingo Cavallo yesterday said the national government will be very restrictive with the provinces that issue foreign debt bonds and notes.

In an indirect reference to the notes issued a few days ago by Cordoba Province, Cavallo said the central government will use all the resources it is entitled to to prevent the issuance of provincial notes.

He nonetheless clarified that the national government is issuing foreign debt notes but for figures below the previous year's principal, whose mortgage the government is paying off year to year.

Cavallo also said the total public foreign debt will diminish year by year and never increase.

Changing subjects, the economy minister mentioned that it would be very convenient if private companies have access to international markets in which to place their securities. It is far better if they can place their shares in the international capital markets, he added.

He said Argentina is entering an economic reform stage that forces us to consider real investments, as well as industrial and trade cooperation between Argentine and foreign companies.

In turn, the Patagonian region governors are planning to meet today with the economy minister, who will travel to Chubut to support the Justicialist Party election campaign.

The Patagonian provinces did not sign the fiscal pact with the nation, and they formed a bloc that is demanding special considerations for their region.

## Brazil

### Franco Threatens States Fighting IPMF

*PY2808001493 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 27 Aug 93*

[Report by Luiz Augusto Mendonca from Planalto Palace]

[Text] The central government may retaliate against states that resort to court in order to avoid paying the IPMF [provisional tax on financial operations].

Sao Paulo Governor Luiz Antonio Fleury Filho today phoned President Itamar Franco to ask him to confirm the statements attributed to the president by some newspapers in which he said he would retaliate against governors who resort to a court petition for an injunction not to pay the IPMF.

During the telephone conversation, President Itamar Franco confirmed to the Sao Paulo governor that he may retaliate. This was reported by presidential spokesman Francisco Baker. Last night President Franco told Baker that if any governor who filed a petition for an injunction against the IPMF comes to Planalto Palace to ask for funds for his state, government money for him will be restricted.

During the telephone conversation, President Franco scolded Governor Fleury Filho for his intention to ask for a petition for an injunction against the IPMF.

### Finance Minister Opposes Amazon Ministry Creation

*PY2808022993 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 aug 93 p 6*

[Article by Vanda Celia and Cleber Praxedes]

[Text] Brasilia—Finance Minister Fernando Henrique Cardoso opposed President Itamar Franco's decision to create the Amazon Region Special Ministry. But he suffered his first defeat at the hands of the president, who did not accept his arguments. "Mr. President, I am aware that the issue of the Amazon region is delicate, but let us discuss the matter because we do not have the money to finance another ministry," the minister said during the National Defense Council meeting at Planalto Palace on 23 August. Franco's answer was sharp: "The creation of the Amazon Region Special Ministry is a decision of this government."

Cardoso tried to convince the president the measure was contrary to a previous public Finance Ministry position to reduce federal spending. It was useless. Itamar Franco's announcement surprised ministers, with the exception of Planning Minister Alexis Stepanenko, who arrived with the list of expenses for the ministry's creation.

Those most perplexed by the announcement were the military ministers. The ministers came to the meeting with hopes of getting more funds for their areas but received the announcement of a new ministry's creation as an answer. "I did not know about this," Navy Minister Admiral Ivan Serpa told Army Minister Zenildo Lucena, who, like Strategic Affairs Secretariat (SAE) Secretary Mario Cesar Flores, was not aware of the decision. "I did not hear anyone talking about this business," Flores told Serpa.

But it was Cardoso who tried, unsuccessfully, to change the president's decision. Politicians present during the meeting were also surprised. Chamber of Deputies President Inocencio Oliveira (PLF-PE) [Liberal Front Party-Pernambuco] said: "This seems inadequate." Roberto Freire (PE), government leader in the Chamber of Deputies, tried to argue against the ministry's creation, but to no avail.

## Amazon Minister Says U.S. Troops' Operations 'Routine'

*PY2808001093 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 27 Aug 93*

[Report by Renata Verissimo from Planalto Palace]

[Text] The special minister for the Amazon region will visit all the states in the region to become acquainted with their problems. Ambassador Rubens Ricupero was one of the Amazon Pact's authors.

Minister Ricupero will only learn in detail about his future mission after a meeting with President Itamar Franco on 31 August. During his first meeting with the president today, Ricupero, who used to be Brazilian ambassador in Washington, only spoke about international relations. Therefore, in a diplomatic attitude, the new minister did not want to make any comment about the actions of gold prospectors in the area or the massacre of Ianomami Indians in Roraima.

He guaranteed that the presence of U.S. soldiers in the Amazon region does not mean an invasion:

[Begin recording] From what I heard, both in the Pentagon and the U.S. State Department, the training operations that took place in the Amazon region were small and routine operations that are carried out every once in a while with the sole purpose of training their men under these particular conditions, and that such operations have no other objective beyond that. [end recording]

Minister Rubens Ricupero also said he intends to visit the main organizations in the Amazon region as well as the governors. He is also concerned with changing the image of the Amazon abroad. Ricupero believes that the Amazon region must be viewed from the position of development and not as a problem.

## Illegal Money Operations Described

*PY2808211593 Sao Paulo VEJA in Portuguese 25 Aug 93 pp 88-91*

[Article by Joaquim de Carvalho: "The CC5 Tax Haven"]

[Text] In 1969 the Central Bank [BC] issued Letter-Resolution No. 5, which allowed foreigners temporarily staying in Brazil to open checking accounts. These accounts, which became known as CC5, were intended to make life easier in Brazil for nonresident foreigners such as university students, researchers, professors, and businessmen who would stay in the country longer than an ordinary tourist but less than a person seeking a resident visa. Holders of CC5 accounts are entitled to have checkbooks, make deposits in foreign currency, and receive remittances from abroad. Upon leaving the country, a CC5 account holder can take with him the balance of his account converted to the currency in which it was originally deposited. Because the holders of these accounts operate with money not generated in Brazil, this money is not taxed by the Federal Revenue Secretariat [SRF]. More than two decades after their creation, the irregular use of CC5 accounts for nonresidents has given way to a formidable clandestine apparatus for evasion, dollar laundering, and trafficking in currency. Several hundreds of million dollars have first entered and then left the country without paying taxes through CC5 accounts. Edson Antonio de Oliveira, chief of the Interpol bureau in Brazil, said: "CC5 is the shredder of the Brazilian financial system."

The Federal Police [PF] have reached the CC5 accounts through Paulo Cesar Farias [PC]. While investigating PC's banking operations, PF senior officer Paulo Lacerda noticed that thousands of dollars in PC's accounts came from abroad. Lacerda then appointed officer Joao Abracos to follow this lead in Sao Paulo. Abracos then made a shocking discovery: By manipulating two CC5 accounts, the PC scheme had managed to bring $30 million into the country between July 1991 and July 1992. Following this lead, Abracos made another discovery, which was even more shocking: By manipulating four CC5 accounts, $1.2 billion had been illegally taken out of Brazil over a four-year period. PF already have requested that the bank secrecy rule be lifted in connection with 26 accounts suspected of operating irregularly. The PF believe at least $6 billion is being taken out of the country annually through CC5 accounts. Thus, the country is losing $1.5 billion annually in taxes. Economic Bank President Angelo Calmon de Sa said: "CC5 accounts were an excellent idea to make money exchange operations more flexible, but their improper use is hurting the country."

No Brazilian bank is committing a crime by operating a CC5 account as long as the account holder conforms his operations to BC regulations. But if CC5 accounts are used to launder money or supply black dollar market dealers, then the operating bank would be committing a white collar crime because, in accordance with the law, "it would be running a clandestine financial institution." This crime is punishable by a prison term of up to four years. It also entails a tax crime punishable by two years in prison. The BC also can punish the offending bank by shutting down its branch offices. Former BC President Ibrahim Eris said: "If a CC5 account is clandestine, the operating bank can be shut down."

To make improper use of CC5 accounts, an account holder must have a front organization, a company in a tax haven—usually in the Caribbean—and a bank willing to violate BC regulations. To manipulate CC5 accounts, a tax evader has options: to go the indirect way—which is the most widely used—by using the CC5 accounts of black market dealers to bring in or send out money through fictitious operations. The direct way is more complicated. The tax evader, who has a banking account abroad, sets up a company in a tax haven country. He then forges a loan contract between his company in Brazil and the ghost company set up in the tax haven, thus paving the way for bringing into the country the money deposited abroad. Abracos said:

"This operation is similar to the Uruguayan farce staged by [former President Fernando] Collor and PC." In Montevideo, the tax haven closest to Brazil, a company can be created on paper for only $2,000. An adviser to SRF Secretary Osiris Lopes Filho said: "Ten out of 10 of companies engaging in this type of loan are evading taxes."

Federal Police have identified three banks that use CC5 checking accounts illegally. One of them is the Excel Bank, headquartered in Sao Paulo, with 300 employees and liquid assets of $48 million. In June 1991, Excel opened a CC5 for the Cross Financial and Trading Corporation located in the British Virgin Islands, which is a tax haven. This CC5 checking account was used to bring $30 million belonging to PC Farias into Brazil. In the space of one year, between 1991 and 1992, this account moved $400 million. The conclusions regarding the Cross operations with Excel, contained in file No. 036/93 of the inquest conducted by Abracos, are quite clear: "The volume of the operations carried out by Cross amounts to hundreds of thousands of dollars, most of which is the result of the illegal purchase and sale of foreign currency, basically generated by Brazilian companies that kept a parallel accounting system for the purpose of tax evasion."

The second bank in the CC5 network is Atlantis, which belongs to Antonio dos Santos e Ricardo Azem. Atlantis, headquartered in Rio de Janeiro and with a branch in Sao Paulo, formerly called Cash Bank, has 175 employees and assets of $4.5 million, which is a ridiculous amount compared to the amount of foreign currency it moves. In 1991, Atlantis was the fifth-largest Brazilian bank by volume in moving foreign currency in the floating market, that is, $3 billion. Cross opened another CC5 at Atlantis, which between July 1991 and July 1992 moved another $150 million. The third bank is Lloyds, a multinational bank of British origin. Brazil is Lloyds' largest debtor. The Lloyds bank, which is on the list of the 20 largest banks in Brazil, has 1,400 employees and liquid assets of $104 million. Two of the CC5's opened with this bank are suspicious. One of them belongs to Accent Financial Corporation of Panama, which is a front enterprise that moved $100 million during 1992. The other CC5 belongs to Becket Corporation, also from Panama. From January 1988 through July 1992, Becket transferred $400 million abroad.

Abracos is convinced that those three banks acted dishonestly. Last week he was preparing a request to indict Antonio dos Santos of the Atlantis Bank, Ezequiel Nasser of Excel, and Frederick Gibbs of Lloyds. He commented: "The banks are the heart of the irregular CC5 checking accounts. They are behind the creation of these CC5's, which are the source for the black market dollar dealers." Abracos, a determined and meticulous officer, has every right to be suspicious because the bankers are unable to explain who the foreigners residing in Brazil are who, theoretically speaking, should be the holders of the CC5 checking accounts. The Cross CC5 at the Excel bank was opened by someone called Roberto Carlos Sosa Dias Kovacs. The problem is that Uruguayan citizen Kovacs' entry into the country was never registered at any airport, not even on 24 July 1991 when he opened his CC5 account. The Excel Bank has stated that all it knows about Kovacs is his fax number—(005982) 95-8672 in Montevideo—and nothing more. This seems a terrible oversight with a client who moves $400 million per year. Fernando Sefton, former Banespa [Sao Paulo State Bank] director and owner of one of the most popular private bank consultant firms, comments: "It is really odd that the bank directors do not know a client of his magnitude."

Lloyds Bank does not know anything about Salomon Sapov Kaplan either. Kaplan is another Uruguayan who opened a CC5 account at the bank as a representative of Becket Corporation. Lloyds has declined to supply Kaplan's address to safeguard its client's privacy. Kaplan's files at Lloyds show, however, that his address is 165 Quinze de Novembro St. If you look for this address, what will you find? Surprise! It is Lloyds' main office. Finally, the Cross representative who opened a CC5 account at Atlantis Bank is Ezequiel Amaranto Camerini, an attorney who lives in New York. Questioned by VEJA, Amaranto refused to give any explanation about Cross, Atlantis, or himself. Judge Pedro Paulo Castelo Branco Coelho, the one who ordered PC Farias' imprisonment, already has issued arrest warrants against Kovacs, Kaplan, and Camerini. Upon signing a petition for arrest warrants against the three figureheads, federal prosecutor Italo Fioravante said: "They have not operated on their own and, as soon as they are placed under custody, they might reveal the names of the illustrious Brazilians who are members of the gang."

BC regulations prohibit any bank operating with CC5 accounts from using checks written against these accounts as if they were readily usable money. The Atlantis Bank apparently has violated this regulation. For instance, the Vasco da Gama soccer club took out a $300,000 loan from Atlantis Bank and received the loan in three administrative checks. Atlantis Bank has denied making any loan to Vasco. Upon lifting the secrecy of the Cross account at Atlantis Bank, it was discovered that the three checks issued to Vasco came from CC5 accounts.

The investigations of CC5 accounts have caused an underground earthquake in Sao Paulo and Rio de Janeiro. As weeks go by, representatives of more companies are called to testify before the PF, thus uncovering dozens of potentially explosive schemes and shedding light on notorious shady deals such as the one involving the INSS [National Social Security Institute] and the wheelings and dealings of pro-Maluf [Sao Paulo Mayor Paulo Maluf] operator Joao Carlos Martins. Here some of the cases uncovered:

—Moacyr Kleinman, who owns a Sao Paulo-based label factory known as Icla, received $700,000 from Cross in his account at Sudameris. The documents submitted by Kleinman to the PF show that the loan was

granted by Product Identification and Decoration Systems, which is based on the Isle of Man, on the British coast. But listed on the contract's first page is the name of Product's director: Moacyr Kleinman himself. It is Kleinman who signs for the lender, and his partner in Brazil, Argentine citizen Albino Rafael Poljokan, signs for Icla. It is Kleinman in a double role, making a loan to himself. It is in fact Kleinman paving the way for another tax evasion scheme. In financing Icla's operations, Kleinman charges himself a 12-percent annual interest rate plus a 10-percent fine on delinquent payments. Thus, Icla has sent $70,000 monthly to Product to cover interest payments. If fines are included, the amount is $75,000. Later, all that money will be deducted from Icla's profits and will appear on the income tax statement as "financial expenses."

—In January 1992, the Spanish airline Iberia received $5 million in checks from the Cross CC5 account at the Cash Bank, which has now become Atlantis Bank. Adolfo Turrion Barbado, the main Iberia executive in Brazil, swears that amount was transferred from Iberia's main office to its branch office in Brazil. Abracos said: "This would have been a reasonable explanation had it not been for Iberia's failure to produce two simple documents in four months to prove its allegation; that is, a document whereby the main office transfers the money to its Brazilian branch and another one registering the operation at the BC." Without these pieces of evidence, PF are assuming that Iberia bought the dollars at the official rate in a legal operation for an airline company and then resold this money on the black market. Thus, taking into account the difference between the official and black market rates at the time of the operation, it is estimated that Iberia made a $250,000 profit.

—Last month, Jose Renato de Conti, financial director of Tres Publishing Company, which publishes the magazine ISTOE, had to go to the PF three times to attempt to explain his company's ties to a CC5 Cross account. In January 1992, Tres Publishing Company received two administrative checks from Excel Bank in Sao Paulo totaling $200,000 issued against a Cross account. Responding to PF questions, Conti said the money came from a company branch in Argentina, which was allegedly an advance payment for printing services to be performed in Brazil. Abracos then asked for documents to prove this allegation. During a second interrogation, Conti did not produce any document, but changed his story. He then claimed that the $200,000 was not advance money, but a loan from the Buenos Aires office to the main office. In his third visit, Conti produced a loan contract signed by the Tres branch office with the main office, but failed to convince the PF. PF believe the money did not come from Argentina but is part of the company's funds in Brazil. The operation would thus help to account for $200,000 that has not been registered on the company's books. The conclusions of the PF inquiry will be submitted to the SRF.

—Rio de Janeiro prosecutor Andre Barbetas said: "Every amount of Brazilian money that cannot be accounted for is channeled through CC5 accounts." Barbetas investigated the INSS fraud in 1991 and found out that the money siphoned off by the criminals made a stopover at CC5 accounts in Brazil prior to reaching its ultimate destination: Swiss banks. Former Judge Nestor Jose do Nascimento and his partner, attorney Ilson Escossia, both held under custody in Rio de Janeiro, sent $60 million abroad through CC5 accounts. The company that received the CC5 accounts of the INSS sharks is the Swift Financial Corporation of the British Virgin Islands.

—The Swift Financial Corporation also received $850,000 in deposits for Paubrasil [expansion unknown] from Joao Carlos Martins, who raised funds for the electoral campaign of Sao Paulo Mayor Paulo Maluf. In the Paubrasil inquiry, it was uncovered that Swift operated with $300,000 in its CC5 account at the Dimensao Bank between October 1990 and March 1991.

—The Rio de Janeiro exchange store Casas Piano, which belongs to Portuguese dollar broker Jorge Piano, also used and abused the CC5, and formal charges were filed against it in the United States. The charges—which were filed by public prosecutor Otto Obermaier of New York's Southern District—state: "The New York Piano store made an international transfer of funds obtained through drug trafficking." The Piano store has three branches in the United States. Through CC5, it transferred the money to Brazil and vice-versa. The U.S. courts have blocked more than $38 million of the Piano stores' money. Piano said: "The U.S. Government and I reached an agreement to release this money." The agreement consisted of Piano paying a $6 million fine. The U.S. courts found out that one of the Piano stores' clients was mega-dollar broker Henrique Chueke, who owns the Rio de Janeiro tourism agency Paladium. The investigation proved that Chueke knew the New York branch of the Piano store functioned as a huge money laundering operation. Prosecutor Obermaier states in his petition: "He knew about it all and actively assisted the store in the money laundering process." At the end of 1989, Chueke was in Miami, where he met an agent of the Drug Enforcement Agency, the U.S. drug-fighting service. The agent pretended to be a drug trafficker and prepared a trap into which Chueke fell. He then agreed to use his dollar broker's scheme to launder narcodollars. In its itinerary to achieve a legal appearance, the money would go through the Piano store in New York, through a CC5 in Brazil, and through Chueke's tourism agency in Rio, the Paladium. Chueke is the same person who worked with dollar broker Jorge Luis da Conceicao, who supplied the bank accounts in the Collor-PC scheme with money and even sold dollars to members of Rio de Janeiro's high society circle. Conceicao disappeared in July 1992, when he was summoned for questioning by the PF.

How could so many schemes function for so long without government officials' knowledge? Barbetas said: "It is inadmissible that the BC could ignore all these irregularities." It is so inadmissible that PF believe officials were profiting from the CC5 scheme. The BC suspects that Excel Bank has committed fraud in CC5 operations and has been investigating this possibility since June 1991. As a result, the BC has found out that Excel used to purchase dollars and immediately send them abroad through the CC5, which is forbidden. The account holder can receive as many deposits as he wishes but does not have the right to send to his country more than he had at the moment of entering the country. In the report, BC inspectors pointed out that Excel's CC5 accounts were receiving "deposits in cash or national currency," and recommended the immediate suspension of Excel's permission to operate in the exchange market. To comply with BC rules, the suspension of this permission would have to be signed by Gilberto Nobre, who was then head of the BC Exchange Department. Since he did not sign the suspension, nothing was done against Excel. In December 1992, Nobre left the BC. Where is he working now? By a shocking coincidence, he is working at Excel. "Gilberto Nobre acted as an Excel lawyer within the BC," Deputy Augusto Carvalho, of the People's Socialist Party, pointed out. Carvalho requested that the Attorney General's Office present prevarication charges against Nobre to the courts. It was necessary for the PC scandal to blow up for the CC5 irregularities to begin being investigated.

### Correction to Justice Minister Correa Interiewed

*PY2808182893*

The following corrections pertain to the item headlined "Justice Minister Interviewed on Indian Massacre," published in the 27 August Latin America DAILY REPORT, pages 19-21:

Page 19, first column, eighth paragraph, third sentence reads... was in the Xidea village, 20 km... (providing correct village name)

Same page, second column, first paragraph, last sentence, reads... must enforce the Sipam [Amazon protection system], which is the... (changing (Sipa) to Sipam)

## Chile

### Army Commander Pinochet Interviewed

*PY2708184893 Santiago LA TERCERA DE LA HORA in Spanish 15 Aug 93 pp 6-8*

[Interview with Army Commander General Augusto Pinochet by Maria Eugenia Oyarzun at the Armed Forces Headquarters in Santiago; date not given]

[Text] [Oyarzun] How do you think the draft bill [President Patricio Aylwin's bill to speed up human rights violation trials] is coming along?

[Pinochet] I cannot express an opinion. I cannot express an opinion ahead of time because I have to wait for it to be processed in Congress before giving an answer. It is not satisfactory but we value the president's good intention.

[Oyarzun] Would it be better to solve pending problem with the government during this administration, or would be easier with the next administration?

[Pinochet] I believe it would be better to resolve them now rather than delay them because the energy and effort required for this type of issue creates a situation that is not good for Chile.

[Oyarzun] Do you believe the government has treated terrorists and political prisoners the same as it has treated the Armed Forces and the Police?

[Pinochet] I believe recent events in the country eloquently answer your question.

[Oyarzun] On 23 August it will be 20 years since you became commander in chief of the Army. How would you summarize those two decades?

[Pinochet] During this period I had the opportunity to give the Army all the experience gained through my military career. If I had to summarize this period, I would say it allowed me to deepen the modernization of the Army, a task in which I have become really involved since leaving the presidency to dedicate 100 percent of my time to the Army.

The last two decades have been the most important of the last century. Our achievements have prepared the country to face the next millennium and to take a position of leadership in Latin America. Chileans can see that their Armed Forces, beyond any institutional or personal interest, are making common good prevail for the benefit of the people.

[Oyarzun] From the institutional point of view, has the role of the Army changed over these two decades?

[Pinochet] I would not say it changed but it has evolved. It should be enough to recall the measures established in the Constitution regarding the tasks which the Army—along with the other members of the Armed Forces—must fulfill for the benefit of the country. In addition to assigning traditional tasks to the Armed Forces, the Constitution clearly and precisely explains that they must guarantee institutional order within the Republic, and this is very important for Chile to develop in peace and harmony.

[Oyarzun] Did you imagine when you became Army commander on 23 August 1973 how your life would change?

[Pinochet] A soldier must always be prepared to serve the country in the position given him by destiny and by the current circumstances. This means that one must be always ready to adapt ones personal life to the changes caused by a mission. The troubles in my personal and

family life as a result of the responsibility I assumed were faced under the conviction that it was for the benefit of Chile. I would like to note the permanent support of my wife during my time as president of the Republic from 1973 to 1990, and in all the tests and challenges we had to bear throughout my professional career.

[Oyarzun] What errors do you admit having committed as president?

[Pinochet] Maria Eugenia, I believe only history can judge. I can say I honestly put my best effort for the benefit of Chile and my fellow citizens.

[Oyarzun] Do you believe Chile anticipated by decades the fall of the Berlin Wall and communism as a way of life?

[Pinochet] I believe recent events in East Europe and in the former Soviet Union show that the path taken on 11 September 1973 [date of Pinochet's military coup that ousted President Salvador Allende] was right. Chileans broke the myth that the Communist-Leninist system was irreversible. Other countries followed in the past few years.

[Oyarzun] Your government has been accused of violating the human rights of hundreds of people. What is your answer to that?

[Pinochet] To answer that question realistically I believe those making these accusation should remember that the Chilean Armed Forces and Carabineros were forced to act on 11 September 1973 in the face of the most serious social, political, and economic crisis the country had experienced this century. It should be recalled what was said at that time by the General Comptroller's Office, the Supreme Court, and the Chamber of Deputies—institutions that denounced the problems we were experiencing then. It is clear therefore that the violence was not created by the Armed Forces.

On 11 September 1973, the Armed Forces and Carabineros had to face an internal conflict, an irregular war that lasted 17 and a half years, and the harsh struggle forced their members to act with the greatest decision.

Those who talk about human right violations have the biased tendency to forget the causes of the events and the violence that created the initial confrontations during which human right violations could have taken place.

[Oyarzun] How would you like to be judged by history?

[Pinochet] As a soldier who assumed his responsibilities without any other motivation than to serve Chile, as a soldier who believes he fulfilled just another mission.

[Oyarzun] Do you believe you are a politician and a soldier?

[Pinochet] I believe I am a soldier who, as a result of destiny and the circumstances, had to fulfill a political role.

[Oyarzun] Now that there is only one world power, can an Armed Forces with a high degree of military power and preparation be justified?

[Pinochet] I ask you: How many wars have sprung up since the fall of the Berlin Wall? It is a matter of adding up military events to get an answer. The best way to prevent conflicts is to be well prepared to face them. That is the task of the Armed Forces. If they become an element to dissuade eventual threats it will be easier for Chileans to obtain an adequate degree of development and stability that will in turn improve our standard of living.

[Oyarzun] What challenges face Chile on the eve of the third millennium?

[Pinochet] Without doubt the main challenge is that of ensuring that all Chileans achieve full development and harmony through a joint effort. The effort of everyone, civilians and military, is very important in achieving this aim as we must overcome a mistrust that could still affect civilian-military relations.

[Oyarzun] The president has rejected the demonstration of discontent that the Army carried out on 28 May, using combat fatigues, and which was called the "beret protest" by the population. Do you believe that the change of uniform was an error?

[Pinochet] In accordance with Army rules and regulations, the Army has various types of uniform, therefore the use of one or another is not an error. But yes, the various interpretations, with diverse motives, of the Army's 28 May activities can be considered errors.

[Oyarzun] Have you agreed to leave as commander in chief on the same day that President Aylwin ends his mandate?

[Pinochet] No! I have never discussed that matter with the president. I have never had problems with President Aylwin. Deference and mutual respect have been the basis of our relations, in accordance with the Constitution and current legal rules and regulations. He is the chief of state and I am commander of the Army. I am disciplined and a gentleman, and the president is a very considerate gentleman.

[Oyarzun] Do you believe politicians understand the military world? Do you understand the political world?

[Pinochet] We believe mutual understanding is very important because it is on this basis that the Army's contribution to important matters of the country's everyday life will be better appreciated. During recent times, the Army has made a great effort to get the political world—and especially the academic world—to understand it. I believe today's understanding is better than yesterday's, but not as good as tomorrow's. The holding of seminars, postgraduate studies, and the exchange of opinions on various matters are very important. All of this is being carried out intensively with the

important participation of the War Academy and the Military Polytechnic Academy.

[Oyarzun] How do you believe the 20th anniversary of the 11 September 1973 military uprising should be commemorated?

[Pinochet] In such a way to emphasize harmony and coexistence.

[Oyaezun] What are the main points of your 19 August lecture with which you will start Army Month?

[Pinochet] I want to explain clearly that the conference will basically seek to give the institution a vision of the future and to place a certain emphasis—which I believe is necessary—on the modernization process we are undertaking.

[Oyarzun] What are your thoughts about the monument that has been built in the General Cemetery honoring those who went missing while in detention and the victims of human rights violations?

[Pinochet] Without considering the members of the Armed Forces and the Carabineros who gave their lives while carrying out their duty I believe this initiative loses all objectivity and could be seen as a partial concept of the events that occurred in Chile during the past 20 years, and consequently make the national reconciliation much more difficult.

[Oyarzun] President Aylwin invited the Armed Forces and the forces of order to put themselves for one minute in the place of those who suffered the disappearance or the torture of a dear relative. Have you done this? What would you have done?

[Pinochet] That question can be appropriately answered by someone who is experiencing that problem. I have been in contact with relatives of members of the institution who fell at the hands of terrorists and I am deeply impressed with their willingness to forgive and their permanent intention to face the future with generosity and optimism despite their sorrow. It is not possible to measure the scope of the suffering of each and every person, but without doubt it is most important to make our best effort for the benefit of the harmony and peace to which we all aspire.

[Oyarzun] Many people maintain that there was no war, while others stress the opposite. Why do you believe Chile went through a war? What kind of war: Civil war, or military against civilians?

¡Pinochet] Chile went through an irregular war in which, as was acknowledged not so long ago, that foreigners took part. In this conflict, the Armed Forces and the forces of order faced subversive and extremist organizations. There was a focal point of training and support for these groups, and we all know where it came from. An organized paramilitary force existed in our country and it was defeated by the professionalism and efficiency of the Armed Forces, which could not be infiltrated, although that was their permanent intention. A less decisive action by the Armed Forces and the forces of order would have provoked the death of many innocent people, and it would have caused an unstable situation of unknown magnitude.

[Oyarzun] Have you had any contacts with Eduardo Frei Ruiz-Tagle, the presidential candidate of the Coalition of Parties for Democracy?

[Pinochet] Yes, those that an Army commander in chief should have with one of the country's senators.

[Oyarzun] Do you believe it will be easier to work with Frei than with Aylwin if he becomes president?

[Pinochet] It is not up to me to qualify the interpersonal relations of state servants. Relations within their respective sphere of competence are more than adequate.

[Oyarzun] Would you like to go to the Senate and fulfill your role as senator for life?

[Pinochet] I will be able to answer that when I hand over my post as Army commander in chief. For the time being, my current functions are the only ones that concern me. Running this institution does not leave any time to consider alternatives that may crop up in the future.

[Oyarzun] Why should there be special prisons for military personnel, as announced in government circles?

[Pinochet] This issue has become fashionable recently, but it is neither new nor strange. These prisons exist in many other countries. In Chile, current legislation also contemplates them.

[Oyarzun] How are your relations with the new war under secretary?

[Pinochet] Beyond any personal consideration, they are normal and appropriate between a government official and the Army. The under secretary's contribution has been very important in speeding up Army paperwork and basic matters, the results have been noticeable recently.

[Oyarzun] How do you view the Army's future?

[Pinochet] I see the Army actively participating in the great project of Chile. I see the Army integrated into a society in which the various sectors interact in an institutional way, without any exclusions or leading roles [protagonismos], in a great common effort to achieve the well-being that all of us want. In this scenario, the Army has a lot to contribute, and it will do so because it has always had a calling and willingness to do so.

[Oyarzun] How fares the Army's modernization program that you announced on 21 August 1992?

[Pinochet] This is an extremely important issue, not just for the Army, but also for the country. The Army is completing an evaluation process in order to implement

the decisions made. In some specific cases, such as training, compulsory military service, and research and development of specific projects, significant progress has been achieved. All this takes time. It is preferable to implement it gradually so as not to make mistakes that would cost us dearly.

[Oyarzun] For 17 years, the Army has been involved in the political front rather than on the military front. Do you believe, as some politicians claim, that the Army became politicized at that time and is now living on political—rather than professional—nostalgia?

[Pinochet] Your question is based on an incorrect statement because, although it is true that a significant number of officers had to assume political responsibilities during the military government, most of them remained dedicated to their professional military activities. I must stress that today no Army members, of those who participated in the achievements of the past government, harbor any nostalgia over political tasks. Quite the contrary, from the Army commander in chief to the lowest soldier, we are proud of having contributed to Chile's grandeur through our professional activities.

[Oyarzun] Do you still see a terrorist threat in Chile?

[Pinochet] Unfortunately, terrorism still exists. It is enough to remember the attacks carried out in Santiago last week.

[Oyarzun] Is the Army subordinated to the political echelon?

[Pinochet] The Army is strictly complying with the provisions of the Constitution and the laws. It is a part of the state.

[Oyarzun] The right has nominated Arturo Alessandri Besa as presidential candidate. What is your opinion of this?

[Pinochet] That the right has nominated Arturo Alessandri Besa as presidential candidate.

[Oyarzun] Do you have an "heir apparent"?

[Pinochet] The Army is pyramidally structured. The Chilean Constitution is very clear on the appointment of the future commander in chief.

[Oyarzun] Do you believe that the work undertaken by the Armed Forces and the forces of order government still endures?

[Pinochet] The bases for many of the achievements that Chileans are enjoying today were established during the past government.

[Oyarzun] How will you celebrate the 11th September?

[Pinochet] The way it is appropriate for soldiers, that is, soberly and calmly, with great respect and remembering our comrades-in-arms who fell while discharging their duties.

[Oyarzun] If you could do it all again, would you be a soldier or a politician?

[Pinochet] A soldier! I have been a soldier for as long as I can remember. I always wanted to join the Military School and, according to the requirements of an officer's professional career, to be successful as such.

[Oyarzun] Why did some of your relatives, such as your wife Lucia or your daughter Lucia, not run for a seat in Congress?

[Pinochet] I would much rather they did not run for these posts because the campaigns are very special. I think my daughter, with time, will become a good candidate.

[Oyarzun] What do you dislike about politics?

[Pinochet] A very good question! I became acquainted with politics, with its importance and how to behave in politics, when I got married because my father-in-law, Osvaldo Hiriart, was a politician, interior minister, senator, and a very intelligent and capable man. But they played dirty tricks on him because politics always has its good and bad aspects. Nevertheless, I never dreamt about becoming a politician or president of the Republic.

[Oyarzun] Don't you have any political ambitions?

[Pinochet] No!

[Oyarzun] No?

[Pinochet] You don't believe me, but it is true, Maria Eugenia. I do not have any political ambitions! I applied my knowledge to the strategy and tactics of politics.

[Oyarzun] What do you want from the future?

[Pinochet] (He laughs) I do not know how long my future will last. Nevertheless, in the third part of my memoirs, which will be published in two volumes, I say that one sometimes halts the march but that no one, except for the commander, knows where one is going. In this case God is the commander, of course! He knows where we will are going, and he will judge us. If God were to give me a few more years, I would devote them to my studies and to helping in Congress, because you must never stop working and let your mind weaken. It is just like keeping your muscles fit, the day you stop working them they go flaccid.

[Oyarzun] Do you fear death?

[Pinochet] No, nor am I afraid of dying. I have been ready to die on two occasions...

[Oyarzun] Once when you were attacked on 7 September 1986, and what about the other?

[Pinochet] I once attended a meeting and knew that those present wanted something from me... But that was more than 20 years ago....

[Oyarzun] Are you upset because the government refused to allow the "Diego Portales" building to be used by a group of civilians to celebrate the 20th anniversary of the 11 September 1973 military coup?

[Pinochet] I am not involved in this. I know nothing about it, I was not here.

[Oyarzun] Fidel Castro once told a deputy that the only dictatorships in Latin America and in the entire world that had been successful were those of Fidel Castro and Augusto Pinochet. Does this comparison bother you?

[Pinochet] I do not compare myself with Fidel Castro! First, when I assumed as president the Chilean Government Junta, I signed a document in which we pledged to bring democracy back to Chile. Second, this group of "dictators" as some called us, drew up a Constitution which was approved by the great majority of the citizenry and which gave me the opportunity to become president of the Republic.

Tell me, what dictator faithfully fulfills the terms of the Constitution and when appropriate summons an election in which he looses and then—this man who is called a dictator—hands over power in orderly and open manner? Is a man who does all this a dictator or a democrat?

Permissiveness is what I dislike about democracy. Abuses should not be tolerated in a democracy.

Don't tell me Fidel Castro can compare with me. I handed the government over with its accounts in order and a sound economy...

In sum, Fidel Castro's comment has two mistakes: First, when he asserts that the government of the Chilean Armed Forces was a dictatorship and, second, when he asserts that the Cuban dictatorship has been successful.

[Oyarzun] What do you think about the interview with Michael Townley [the National Intelligence Directorate, Dina, agent who confessed to planting the bomb that killed Orlando Letelier, the foreign minister under President Allende, in 1976 in Washington] by Television Nacional, which President Patricio Aylwin asked to be postponed but which will, after all, be broadcasted tomorrow?

[Pinochet] Maria Eugenia, there is something odd about all this. I wonder how much they paid Townley for this because he does not seem to do anything for free and he can get many people involved, so, it is no big hassle for him to grant an interview.

[Oyarzun] Would you approve a divorce law?

[Pinochet] Well, I have been married for 51 years, so I am not in favor of a divorce. Sometimes you quarrel with your wife and feel like taking off, but then you realize that if you are still living with her it is because you love her.

[Oyarzun] What amuses you?

[Pinochet] Jokes about me. It is not true they annoy me.

[Oyarzun] Do you get annoyed when they mock you?

[Pinochet] Not at all.

[Oyarzun] It is said that the Army is the only sector that has not "made a gesture" to acknowledge its responsibility, that the Air Force, the Navy, and Carabineros have already done so.

[Pinochet] Maria Eugenia, I do not know what gestures the Air Force and Navy have made because I have asked them and they have told me they made no gestures. Everyone knows what gestures were made. What other gestures are we expected to make?

[Oyarzun] I do not know, maybe a gesture acknowledging your mistakes...

[Pinochet] But why have the others not made the gesture of acknowledging how many members of my institutions they killed? We have many soldiers with amputated arms, missing eyes, seriously injured, and crippled by terrorist attacks.

[Oyarzun] Does the Army not have to ask for forgiveness for anything?

[Pinochet] Over what should we ask forgiveness? Over 11 September? The people asked us to do it, they threw coins at us. They called us cowards, chicken, all sorts of things! Chile experienced an irregular war in which we respected the rules of war but the others did not. I was the target of seven or eight attacks; they tried to kill me on Santa Maria Avenue twice but the bombs did not detonate. I could never shoot anybody in the back, but they did that to many of our men.

[Oyarzun] Have you ever killed anyone, General?

[Pinochet] No. Never.

[Oyarzun] It is said that 20 members of the Army are allegedly involved in several cases of arrested people who went missing and that you have not dismissed them. What can you tell me about this?

[Pinochet] Some of them were not dismissed because there is no proof that they are guilty of crimes or mistakes and I am not the sort of person who violates the Army's principles. If someone is guilty he is dismissed, if he is not he remains. All of those found guilty by the court have been dismissed from the institution. We cannot dismiss people just because we suspect of them.

[Oyarzun] How do you feel 20 years later? Do you think it was an important development for Chile?

[Pinochet] I am a simple person, I cannot judge myself, history will do that.

[Oyarzun] Have you ever felt lonely?

[Pinochet] No, I have never felt lonely.

[Oyarzun] Have you ever felt the loneliness of leadership?

[Pinochet] I have always had someone near me. I have obviously spent lonely moments, but I have never felt the loneliness of leadership.

## Colombia

### FARC Guerrillas Reportedly Kill 14 Policemen

*PA2808214993 Santa Fe de Bogota Radio Cadena Nacional in Spanish 2112 GMT 28 Aug 93*

[Text] This station has learned that about 14 policemen, including officers, have been killed in an ambush sprung by the Revolutionary Armed Forces of Colombia [FARC] in the rural area of Usme in eastern Santa Fe de Bogota. The ambush occurred while an official detachment was guarding an electric power substation. Sources report that the exact location of the attack is between Usme and San Juan de Sumapaz, one of the capital's southernmost municipalities.

The police are trying to determine the exact number of dead and wounded. According to preliminary reports received by the station, the attack was perpetrated by alleged subversives operating in the area. The metropolitan police report that the police commander has just departed for the scene of the attack to see for himself what exactly happened, to determine the number of casualties, and to coordinate the evacuation of the area. Initially, a figure of 14 dead was mentioned, but we are waiting for an official confirmation.

### Guerrillas Sought After Attack

*PA2908030693 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0132 GMT 29 Aug 93*

[Text] Two hundred policemen and Army members are now combing by air and land the area around Usme near San Juan de Sumapaz, 58 km south of Santa Fe de Bogota, in a search for guerrillas, who at 1330 massacred 13 policemen, including one officer, one noncommissioned officer, and 11 privates. Mauricio Cardenas Santamaria, manager of the Santa Fe de Bogota Electric Energy Enterprise, who was being escorted by the men in uniform, escaped unharmed.

An explosive charge planted by an estimated 40 guerrillas overturned the truck carrying the policemen, who immediately climbed out. The attackers then advanced and shot each of them in the head with rifles. The bloody action left the following policemen slain: Captain Luis Guillermo Paez Guerra; Corporal De Moya; and Privates Henry Pachon Cuervo, Freddy Pineros Molina, Jessid Lopez Farid, Rafael Santos, Alexander Ortiz, Herbert Zarate Marin, Oscar Valero Camacho, Freddy Alfonso Soler, and Jose Luis Sanchez. Another policeman, Fernel Penaranda Blanco, threw himself headlong into a nearby creek. Unhurt, he escaped and reported the incident to Usme authorities. The alleged guerrillas escaped, taking with them the arms and personal belongings of their victims.

Army troops showed up to comb the area for the guerrillas some five hours after the police patrol was attacked.

### Government Condemns CNGSB Attack

*PA2908132393 Santa Fe de Bogota Radio Cadena Nacional in Spanish 1200 GMT 29 Aug 93*

[Communique issued by the Presidential Palace's Press Office in Santa Fe de Bogota; date not given; from the "Radio Events RCN" newscast]

[Text] The national government rejects and condemns the cowardly terrorist attack perpetrated by the Simon Bolivar National Guerrilla Coordinating Board [CNGSB] against members of the National Police. The policemen were protecting public employees, who are working to develop the service infrastructure for the benefit of the community, therefore this demonstrates the criminal motives of subversives and their hatred for Colombia and its people.

Actions of this nature, and the rebels' continued kidnappings, show Colombia that when the guerrillas talk of dialogue and peace they have no other purpose than to strengthen their criminal and vandalistic activities against the country. These deplorable circumstances compel us to reaffirm our commitment to providing the Colombian state with the necessary means to defeat criminals and impose on us the challenge of providing our solidarity and support to the police and justice system to attain the peace Colombians deserve at last.

In conveying our sentiments of sorrow to the National Police and the relatives of our fellow countrymen, who fell serving the nation, we again summon the nation to maintain unchanged its purpose of attaining a peace, which only exists when justice and law prevail.

### Minister Dismisses Possible Talks With Rebels

*PA2908190093 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1800 GMT 29 Aug 93*

[Text] Today, Government and Interior Minister Fabio Vallegas said the killing of 13 policemen confirms the guerrillas' terrorist attitude and closes the door on the hope of talks.

[Begin Villegas recording] There is no dialogue with the Simon Bolivar National Guerrilla Coordinating Board [CNGSB] because I frankly do not see what we can discuss with murderers and bandits capable of doing the things Colombians witnessed yesterday. [end recording]

The government warned about an increase in the CNGSB's offensive capability.

[Begin Villegas recording] We obviously do not ignore the threat of terrorism and subversion in Colombia.

There are organizations in the country sufficiently strong to conduct attacks as yesterday's on the police. [end recording]

A few days ago, the rebels announced the implementation of a terrorist plan called "Black September," and this operation may be the first of this plan.

### Military Presence Increased Around San Andres Island

*PA3008022293 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0130 GMT 29 Aug 93*

[Announcer read report over video from the "TV Today Newscast"—passages within quotation marks recorded]

[Text] For more than a month, this station has been reporting on the delicate situation surrounding the island of San Andres and the maritime border with Nicaragua. This week, we visited the area and Nicaragua to learn the truth.

Colombian fishermen have reported abuses perpetrated by Nicaraguan authorities. The fishermen say many of them have been stopped by small Nicaraguan Navy speedboats, which confiscate their boats, dump their catches overboard, and put them in prisons in Bluefields, Nicaragua.

[Unidentified fisherman] "They do not warn you through a loudspeaker. They just fire at you from helicopters until you stop the boat. Then they tug you to their wharves. This problem is not new."

One boat captain was caught by the Nicaraguan Navy fishing near Serrania Cay in Colombian waters. He and his crew were detained and tortured in Nicaragua.

[Boat captain] "The Coast Guard informed me we were in Nicaraguan waters. I told him he was wrong. Then he said all these waters, as well as San Andres and Providencia islands, belonged to Nicaragua. The crew and I were put in a cell aboard their ship for two days. Later, we were taken to a Bluefields prison. The Colombian consul got us released and sent to San Andres.

[Crew member] "They put us in a freezer. Of course, the thing was not operating. But you can imagine the heat inside with all those people.

[Reporter] "How many of you were in there?

[Boat captain] "All of us."

The Colombian Navy has been informed of this situation. Fishermen have requested an increased Colombian presence in Colombian territorial waters and patrols throughout Colombian territory.

In view of this delicate situation, the Colombian Army and Navy have increased their presence and operations in and around San Andres and the cays that belong to Colombia. They are under orders to increase the number of security personnel in Providencia from a platoon to more than 100 men and to bolster security in San Andres with several artillery pieces. Several points on the island and cays will be reinforced with antiaircraft guns. Security will be similarly bolstered with an infantry company. Meanwhile, Marines have deployed mortars and other weapons in San Andres and Providencia. These security measures are being implemented round the clock.

[Colonel Alfonso Reyes] "We are in a position to defend the islands with the equipment and personnel available. We will defend what belongs to us, our territory, with love and dedication."

Meanwhile, Colombian Air Force planes are patrolling the skies constantly, covering an area of more than 350,000 square km. Their job is to watch, with the Navy, for foreign surface ships or planes that violate the Colombian airspace. According to forces on San Andres, they are on alert all of the time. The units are prepared to repel any attacks.

National sovereignty is primarily at stake here in Colombia's Caribbean waters. The missile-firing corvette Admiral Padilla is in charge of patrolling the San Andres area. In addition, its crew is being specially trained to meet any emergency. The corvette crew conducts open-sea military exercises.

Tomorrow we will feature a special report from Nicaragua on how the people view the problem over there.

## Ecuador

### Seven Cooperation Agreements Signed With Colombia

*PA2808183693 Quito Voz de los Andes in Spanish 1200 GMT 24 Aug 93*

[From "The Voz Andes Newscast"—monitored in progress]

[Text] ....Ecuadoran Foreign Minister Diego Paredes and Colombian Foreign Minister Noemi Sanin de Rubio have strengthened commercial and integration relations between both countries.

One of the agreements specifies that passports, visas, taxes, or exit certificates will no longer be required to cross the border by land and move from Ecuador to Colombia or vice versa.

The ministers also signed an agreement for the construction of the Esmeraldas-Tumaco Highway and the international bridge over the Mataji River, with financing by the Andean Development Corporation. Another important agreement calls for the establishment of domestic rates for telecommunication services in the integration area.

Yesterday in Quito, Colombia and Ecuador signed seven cooperation agreements that strengthen integration and trade relations.

### * Indigenous Peoples' Census Results Reported

*93SM0381A Caracas EL DIARIO DE CARACAS in Spanish 12 Jul 93 p 11*

[Text] Forty-two percent of Venezuela's native peoples with a regular paid job earn less than 2,500 bolivars a month, according to the 1992 Census of Indigenous Peoples of Venezuela, whose final results have been released by the OCEI [National Office of Statistics and Information].

This census shows that 50.5 percent of the indigenous population over the age of eight is in the labor force. However, only 16.9 percent of this percentage can be considered to have stable paid jobs. And of this total, over 40 percent earn under 2,500 bolivars a month. This is 3.66 times less than the minimum urban wage and three times less than the minimum rural wage.

The OCEI report states that the indigenous population counted in Venezuela is 315,815 individuals belonging to a total of 38 ethnic groups. Twenty-eight of these groups have traditionally lived in Venezuelan territory, and 10 have been displaced and come to Venezuela from Brazil, Colombia, and Guyana.

The largest of these ethnic groups is the Wayuu, who make up 53.4 percent of Venezuela's total indigenous population. Native peoples are present in 10 states or territories of Venezuela. The traditional areas are Amazonas, Anzoategui, Apure, Bolivar, Delta Amacuro, Monagas, Sucre, and Zulia. Two others (Merida and Trujillo) also have Wayuu communities.

This census provides information on the economic situation and living conditions of the indigenous population. Of the native people aged 10 and older, 40.5 percent are illiterate (according to the 1990 census, only 9.3 percent of the general population aged 10 and over is illiterate). The OCEI considers these findings clear indicators of the difficulties the indigenous population faces in obtaining access to education.

The census also reveals that 55.7 percent of the indigenous population between the ages of five and 24 do not attend any type of school, and one of each five native people does not speak the language of his ethnic group.

In housing, the census data shows that 56.6 percent of indigenous households are located in rural areas. Of these housing units, 64.7 percent have no running water (40 percent get water by carrying it from rivers, streams, or creeks); 95.5 percent of the houses have no sewage facilities; and 37.6 percent have no electricity. There are 86.9 percent of the indigenous communities that have no medical clinics.

## Paraguay

### De Klerk Voices Interest in Mercosur, Ends Visit

*PY2808022593 Asuncion RPC Television Network in Spanish 0000 GMT 28 Aug 93*

[Excerpt] A high-level Paraguayan mission will go to South Africa soon to lay the groundwork for promoting trade between the two countries. During his stay in our capital city, South African President Frederik de Klerk expressed special interest in the Common Market of the South [Mercosur] initiative.

In a news conference, de Klerk praised the concept of regionalization on which Mercosur is based. He said the same concept is emerging in South Africa, and that in a few more years an economic union could be established among southern Africa's states. He added that he hopes his current tour of Latin American countries will be instrumental in creating opportunities for promoting trade.

De Klerk announced that it has been agreed that a high-level Paraguayan mission will visit South Africa soon. Regarding the close political ties that existed in the past between Paraguay and South Africa and the new situation taking place in both countries, de Klerk said they have put isolation behind them and rejoined the international community. Thus, he said, no new relationship will have an adverse effect on either country, but rather will create new opportunities. He concluded by stating that both Paraguay and South Africa are trying to correct past errors.

After staying in our country for more than 24 hours, de Klerk left the country this afternoon. He was seen off at the airport by his Paraguayan counterpart, Juan Carlos Wasmosy. [passage omitted]

### Wasmosy, De Klerk Sign Declaration

*PY2708221193 Asuncion ABC COLOR in Spanish 27 Aug 93 p 13*

[Text] Through their respective presidents, Juan Carlos Wasmosy and Frederik de Klerk, Paraguay and South Africa decided yesterday to study ways to expand their bilateral economic ties. They also agreed to promote trade and business meetings, commercial and industrial missions, and the establishment of joint ventures. The new stage in bilateral ties also encompasses areas such as the safeguarding of representative democracy and human rights, in addition to the intention to combat drug trafficking.

The declaration, which was signed by the two presidents last night during a ceremony at Government House, is primarily centered on three basic issues of South African-Paraguayan ties: economic, political, and police.

Regarding economic ties, the declaration stresses the need to encourage bilateral trade and study ways, which would allow a more effective expansion of bilateral

economic ties. Moreover, there is a consensus on the need to promote the organization of business meetings, commercial and industrial missions, and the establishment of Paraguayan-South African companies.

In the political field, Wasmosy and de Klerk stressed the commitment made by the international community to safeguard representative democracy, in addition to the upholding of human rights and the basic rights of all individuals, which are essential in any democratic regime.

Regarding the police, the presidents decided to promote the establishment of the necessary bilateral mechanism to strengthen and effectively repress and fight crime and drug trafficking. There is also a consensus to continue negotiations for the prompt signing of a treaty for the extradition of criminals.

Regarding the repression of drug trafficking, it was noted that negotiations were undertaken yesterday with the purpose of signing an agreement as soon as possible.

The declaration also expresses the presidents' satisfaction with the recent signing of the Agreement for the Elimination of Visas, which was signed in Asuncion. According to this agreement, South African and Paraguayan citizens are not obliged to carry visas when visiting their respective countries for business or tourist purposes.

According to reports supplied by "Pro-Paraguay" [Paraguayan Institute For Export Promotion] based on BCP [Paraguayan Central Bank] sources, in 1992 Paraguayan exports to South Africa were: $9,000 in food waste, $1.247 million in tobacco, $22,000 in cattle hide, $98,000 in leather goods, $272,000 in boards and wood strips, $876,000 in cotton fiber, $45,000 in cotton linter, and $1,000 in wood tables, making a total of $2.57 million.

Regarding the commercial balance, the same sources reported that in 1989 imports totaled $1.645 million, while exports totaled $160,000. In 1990, imports totaled $5.262 million and exports totaled $813,000. In 1991, imports totaled $6.44 million and exports totaled $1.478 million. In 1992 imports totaled $5.858 million while exports totaled $2.570 million. This shows that in recent years, the commercial balance was negative for Paraguay.

### Correction to Wasmosy Seeks Better Communication

*PY2708151393*

The following correction pertains to the item headlined "Wasmosy Seeks Better Communication With Grassroots" published in the 27 August Latin America DAILY REPORT, page 26: Second column, graf three, sentence one, make read: ...is the increasing influence of a high-ranking.... (supplying dropped word)

## Peru

### Fujimori on Possible Cabinet Changes, Constitution

*PA2708175793 Lima Panamericana Television Network in Spanish 1200 GMT 27 Aug 93*

[From the "Good Morning Peru" newscast]

[Text] President Alberto Fujimori confirmed there will be cabinet changes. He also talked about the new Constitution, the referendum, and the controversial Lima Convention.

[Begin recording] [Unidentified reporter] There is a lot of talk about resignations and changes in the cabinet. Are you going to reiterate your support to the ministers?

[Fujimori] Some cabinet changes are possible.

[Reporter] Who and when?

[Fujimori] I will announce them at the proper time when speculations end.

[Reporter] Will it be soon, Mr. President?

[Fujimori] Yes, it will be soon.

[Reporter] Which ministries?

[Fujimori] Changes are made not because there is inefficiency but due to periodic adjustments we make.

[Reporter] The ministers are worn out?

[Fujimori] Not at all.

[Reporter] [Words indistinct]

[Fujimori] I am going to announce it soon.

[Reporter] Now that the Constitution draft has been approved, how do you view the country's political panorama?

[Fujimori] I am not too concerned about the political panorama and that is why I have preferred not to meddle in these affairs. The country simply needs to work efficiently and quietly if possible. As for the Constitution, I believe it is a step forward. I hope that public opinion supports it one way or the other.

[Reporter] When will the referendum take place?

[Fujimori] It is not up to me to decide. We are in a presidential regime, but the president does not decide matters of local governments and does not meddle in the legislative branch.

[Reporter] There is talk about a total, partial, or mixed referendum. Which do you support?

[Fujimori] I do not want to give my opinion so no one can say that the president is trying to dictate orders. The legislative branch must decide.

[Reporter] Is there any coordination between the legislative and the executive branches?

[Fujimori] There is some coordination, but not from the legislative point of view. There is coordination....

[Reporter, interrupting] [Words indistinct] for a prudent amount of time?

[Fujimori] I do not know; they will decide.

[Reporter] It is said that the Constitution widely favors you. What can you say about this?

[Fujimori] I understand that the new Constitution has been approved by a vast majority. There has been a support of between 70 to 80 percent. Most of the articles....

[Reporter, interrupting] Don't you think it benefits you?

[Fujimori] It is not a matter of personal benefits or not, but I do believe it will create a favorable climate for investments in the country, for the modernization of our economic structures and progress in general.

[Reporter] We will be celebrating another Tacna Department anniversary soon, but in the last few days the situation has heated up there [words indistinct].

[Fujimori] I have not decided on that yet, but I hope the topic can be discussed calmly, always bearing in mind the national interests. I believe we are all working toward that goal. We need a consensus when dealing with international matters. I believe congress is listening to all discrepancies and suggestions before making the proper decisions. [end recording]

### Presidency Communique on Resignations

*PA2808043793 Madrid EFE in Spanish 0346 GMT 28 Aug 93*

[Text] Lima, 27 Aug (EFE)—On 27 August, Peruvian President Alberto Fujimori announced he had accepted the resignation of his cabinet, according to a communique issued by the Press Secretariat of the Presidency of the Republic. The 14 ministers had placed their posts at Fujimori's disposal on 28 July.

The communique states that Oscar de la Puente Raygada, foreign minister and president of the Council of Ministers, has been appointed "personal foreign policy representative of the president of the Republic." The resignation of the full cabinet was accepted by the president "as part of normal periodic readjustments within the government," the communique adds.

The official note points out that the president of the Republic thanked all of the members of his government for their cooperation during a time in which a historic process of political reforms was taking place. The communique states that the Presidency of the Republic thanked Oscar de la Puente, who up until now has served as the president of the Council of Ministers, for his dedication to government efforts that made the Democratic Constituent Congress a reality.

The swearing in of the new ministers will take place soon during a ceremony that will be held at the government palace, the communique adds.

### Fujimori Accepts Resignations

*PA2808045393 Lima Radio Programas del Peru Network in Spanish 0427 GMT 28 Aug 93*

[Press Bulletin No. 279C3 issued by the Press Secretariat of the Presidency of the Republic]

[Text] President Fujimori has accepted the cabinet ministers' resignation. On 27 August, President Alberto Fujimori accepted the resignation of the members of the cabinet within the normal context of periodic changes that are usually made in the portfolios.

The head of state expressed his recognition of the cabinet members en masse for their performance in their respective sectors and for the important services rendered to the nation under the current circumstances when the process of national reconstruction is being carried out with obvious difficulties and limitations. The new ministers will be sworn in soon in a protocol ceremony in the Gold Room of the Government Palace.

[Issued] Lima, 27 August 1993

### President Discusses New Cabinet

*PA2908035393 Lima Radio Programas del Peru Network in Spanish 0205 GMT 29 Aug 93*

[Interview with President Alberto Fujimori by unidentified reporters at the Presidential Palace in Lima—live; broadcast in progress]

[Excerpt] ...These ministers will work with the same technical guidelines, and they will work objectively with available resources. They will work to resolve problems, however small they may be. They will try to resolve problems. We are not talking about working for the short-term, but also for a longer term.

We have some important changes: Efrain Goldenberg is the new foreign minister. He [words indistinct] diplomatic experience. He will give the Foreign Ministry a special touch. [words indistinct] and we will maintain our programs designed to continue improving bilateral relations.

The Health Ministry will be headed by Jaime Freundt-Thurne, a pediatrician who has much experience. We are going to continue working to improve health centers and hospitals. Along these same lines, we have plans to implement what former Minister Paredes left as projects [words indistinct].

There is a lot of work to do in the Education Ministry. Fortunately, a lot has been done by former ministers, especially by Minister Alberto Varillas. Each of the new

ministers will have the support of [words indistinct] in their respective ministries. This is the situation.

The rest of the cabinet remains unchanged. I want to take this opportunity to publicly thank the departing ministers, who did an excellent job amid very difficult conditions. They have fulfilled one task, and now they will continue cooperating in other ways.

[Reporter] [question indistinct]

[Fujimori] There is an important aspect here. This is not a matter of a philosophy teacher or of a sage speculating on education. We want to modernize and improve education. To achieve this, managerial supervision is necessary in schools and other educational centers to help everything function better.

We have made a lot of progress in the infrastructure. Now we have to promote quality in education. To achieve this [words indistinct] but in the field, in the schools, to see that state support reaches those centers, that teacheres have a better environment, and to improve the curriculum. We also want to initiate the training program designed by Minister Varilla with the support of the Inter-American Bank.

[Reporter] In the case of the new health minister, will he have time as chairman of the Health Commission of Congress to also act as health minister?

[Fujimori] I think he will have to dedicate more time to the Health Ministry. He will have to take some time out from Congress. Nevertheless, I believe that he, with the dynamism that is characteristic of his personality, will be able to handle the two functions. I have no doubt about this.

[Reporter] Was the departure of Foreign Minister Oscar de la Puente necessary, or did he need some rest?

[Fujimori] In political terms, this kind of change is called bringing new blood into the cabinet. You all know how much experience the ministers have gained. In the case of Minister de la Puente, I have assigned him a most important task. Each minister will be tackling domestic issues, but there is a most important task abroad, and this has to be tackled not only by the Foreign Ministry but also by special commissions, which former Minister de la Puente will be heading as a representative of the president.

[Reporter] Mr. President, with the appointment of Mr. Goldenberg as minister of foreign relations [words indistinct] controversy caused by the [words indistinct].

[Fujimori] To overcome these controversies, the best thing to do is [word indistinct] directly the [words indistinct] and beginning from there. We must remove that which is not favorable for the country. This is my position, and this is the position Mr. Goldenberg [passage indistinct]

[Reporter] [question indistinct]

[Fujimori] Not only these past weeks. [words indistinct] hard work, but satisfactory because we have advanced.

[Reporter] [words indistinct] Ricardo Belmont will have the last word regarding this problem between both [word indistinct].

[Fujimori] In reality, there is no problem. I do not know what the problem is. What is in fact clear is that the government has limited resources. I will not permit any currency emission without support, much less by broadening credit and putting the country into unnecessary debt, neither internal nor foreign debt. This is a very clear position.

What my government has in fact always done, without any kind of restrictions, is to transfer more allotments because we have collected more through the IGV [General Sales Tax] and the taxes [word indistinct] on consumption.

Each authority must carry out its task in the best way possible with the limited resources they may receive, and, in the case of the Council of Lima, they are not so limited. They are really considerable in comparison with the resources of other organizations. This is why, in this area, we are clear. The economy is not in any kind of shape for us to make too many concessions. All of us in the country are living with these limitations.

[Reporter] [sentence indistinct] How do you view these demonstrations?

[Fujimori] I am not viewing them. I hope that all the authorities work for the benefit of the people to secure the best results possible. We are not in a position to wage campaigns now or to get involved in political matters.

[Reporter] [words indistinct] presidential candidate?

[Fujimori] I repeat: We are not thinking about this kind of issue right now. I do not want to go into this. Right now, all of us, especially the elected authorities, must work at a level of 100 percent. [passage omitted]

## Congress Approves New Constitution

*PA2708200893 Lima Global de Television Network in Spanish 0100 GMT 27 Aug 93*

[From the "Direct Line" newscast]

[Text] The Democratic Constituent Congress [CCD] at 0300 on 26 August concluded the debate on the constitution and approved the new constitution, which contains important innovations. The discussions on the referendum will begin on 27 August.

Preparation of this document required six months of hard work by the members of the main commission and exactly 31 days in the CCD plenary. On several occasions, pro-government and opposition members clashed, particularly over important and controversial topics. This constitution, which will replace the current 1979

Constitution, has 226 articles in addition to eight final and provisional clauses [sentence as heard].

The main innovations that represent a total change in the democratic system of the country are as follows: Presidential reelection by the incumbent [eleccion presidencial inmediata], expanding the death penalty to cover cases of terrorism, a single chamber of congress made up of 120 members, the creation of an electoral system, the creation of the Academy of Magistrates, free education at the national universities only for those with high academic grades and proven lack of economic resources, five-year terms for city mayors, and the National Council of Magistrates.

It is noteworthy to point out that with regard to this last point, the CCD approved an important reconsideration that ensure there will not be any politicking in the elections of the council members, as the powers of the state will not be involved in the appointment.

A provisional clause was also approved last night so that for the next two elections, the city mayors will be in office for three and four years, respectively. A debate will start tomorrow to establish the methods and mechanism of the referendum.

### Fujimori on Remaining Shining Path Commands

*PA2708163093 Lima Global de Television Network in Spanish 0100 GMT 24 Aug 93*

[From the "Direct Line" newscast]

[Text] President Alberto Fujimori said that after the capture of Edmundo Cox there are only two Shining Path [SL] high commands left, adding that once these are captured, SL will definitely disintegrate. President Fujimori made this statement in Rioja where he inaugurated public works for that community. Here is what Fujimori said:

[Begin Fujimori recording] My dear friends, here you can see where the National Housing Fund money goes. What the people want is basic services: water, sewers, and electricity. [end recording]

With these words, Fujimori opened his inauguration speech of the Rioja electricity network. This network will service 40,000 residents in this city and other neighboring towns. The works were constructed thanks to a 3.9 million-soles financing as part of the nation's electricity program. This program's goal is to supply electrical power to 55 percent of the national territory that still does not have this service. Here is what Mines and Energy Minister Daniel Hokama Tokashiki said:

[Begin Hokama recording] Before the end of the year nine minihydroelectric stations will inaugurated. This is being done with funds from the Japanese Government. I am talking about hydroelectric stations. [end recording]

During his speech Fujimori said it is public works such as these that allow the strengthening of the pacification process.

[Begin Fujimori recording] We will continue to capture the main leaders, all SL and the Tupac Amaru Revolutionary Movement's top brass. On 22 August, the capture of one of them [Edmundo Cox] was reported. There are two more leaders at that level left to be captured, and then SL will definitely disintegrate. The pacification program is progressing with great success. That pacification will bring progress to the whole San Martin Department. [applause] [end recording]

At the conclusion of this ceremony, Fujimori travelled by tractor to the Superior Institute of Rioja. Fujimori sponsored the creation of this center when he was chairman of the National Deans Assembly. At the institute, he was given reports on the students' investigations on how to take advantage of the salty soils to plant fruits and [word indistinct]. The president also took time to participate in regional dances.

### Ministry Protests Ecuadoran Resolution on Incursion

*PA2808212893 Quito Voz de los Andes in Spanish 1200 GMT 24 Aug 93*

[From "The Voz Andes Newscast"]

[Text] Peru has summoned the Ecuadoran ambassador to voice its strong protest over the Ecuadoran Congress' declarations that rejected a Peruvian military attack on national territory.

A Peruvian Foreign Ministry communique said the government summoned Ecuadoran Ambassador Gustavo Ruales to deliver a protest note in view of the serious offenses against Peru made by Samuel Belletini, president of the Ecuadoran Congress. This apparently refers to a resolution Congress approved, condemning and rejecting the 12 August Peruvian military attack August in La Isla, 704 km southwest of Quito.

The resolution approved on Thursday denounced the attack and described it as flagrant aggression that cannot be set aside with apologies by calling it a misunderstanding, because it is a fait accompli.

## Venezuela

### President Acknowledges Economic Crisis

*PA3008013293 Madrid EFE in Spanish 2307 GMT 29 Aug 93*

[Text] Caracas, 29 Aug (EFE)—Venezuelan President Ramon Velasquez acknowledged today, Sunday, that his nation's huge fiscal deficit, high inflation rates, and critical poverty are "a very bitter truth."

In an informal conversation with the press at the Miraflores Presidential Palace, Velasquez announced that

during the remainder of his government's tenure, until February 1994, he will not introduce any more modifications to his economic policy, aside from a number of tax laws that will be announced over the next few days.

Nevertheless, Velasquez also advised that the person who wins the presidential elections in December will have to "advance some very unsavory proposals, carry out budget readjustments, confront layoffs that may be necessary, and deal with international obligations incurred by the country."

[In a related report on Velasquez's 29 August meeting with reporters, Paris AFP in Spanish at 2335 GMT on 29 August adds: "Ramon Velasquez, Venezuela's acting president, in statements to the press today guaranteed that presidential and parliamentary elections will be held in December, and he ruled out the possibility of a coup d'etat.

"'There may be all sorts of problems, but we must hold the elections, and we must swear in the new head of state, because this is the solution. Anything else would be comparable to jumping off a cliff and loosing everything we have achieved,' said Velasquez."]

One of the measures Velasquez has resisted adopting is a controversial increase in domestic gasoline prices, which is one of the conditions imposed by international financial organizations, including the World Bank and the Inter-American Development Bank, for releasing loans they have already pledged to Venezuela.

Velasquez argued that, at this moment, this action cannot be decreed because of its social impact, although various economic analyses say it would help offset the nation's huge deficit, which is estimated to reach $3.6 billion in December.

Several tax laws are expected to be promulgated next week, including one that will create a value-added tax, which is common in other countries but which, up until now, has never existed in Venezuela.

The tax measures were to be explained by Velasquez himself in an address to the nation, which had been expected some time this week, but the chief of state said today that the message may be postponed because of "political reasons" which he did not detail. Some observers interpreted these "political reasons" as possible repercussions from a delicate meeting Congress is scheduled to hold Tuesday. During the meeting, it is possible Congress could decide to formally remove still-suspended President Carlos Andres Perez.

To reduce the deficit, an intensification of the privatization process has been announced, and a domestic airline and much of the state-held stock in the National Telephone Company of Venezuela [CANTV] are scheduled to be sold over the next few months. A majority of CANTV stock passed into private hands two years ago. Nevertheless, the steps leading to the airline's sale are going very slowly, and the sale of telephone company stock is being blocked by different sectors that refuse to allow the state to forfeit its position in an enterprise they consider to be vitally important from a strategic point of view.

Velasquez assumed the presidency on 5 July after Congress appointed him to replace Carlos Andres Perez, who was suspended from office to stand trial for alleged corruption. These circumstances forced Velasquez to form an emergency team, and because of the nonpartisan nature of his government, the appointed ministers do not always agree on ways to handle what is considered to be the worst economic crisis in Venezuela's history.

### Coup Rumors Prompt Increased Palace Security

*PA2908180093 Madrid EFE in Spanish 1659 GMT 29 Aug 93*

[Excerpts] Caracas, 29 Aug (EFE)—Venezuelan authorities have increased security around the government palace due to rumors of a coup and bomb threats over the telephone, the press reported on 29 August.

One of the first measures adopted by the people in charge of security at Miraflores Palace, the seat of government, was to ban parked vehicles around the area.

Although there has not been an official explanation, it is believed the ban is based on fears that the terrorists, who have been active since 19 July, may attempt a car bomb attack similar to the one reported two weeks ago in a Caracas shopping mall. Soldiers of the Military Household, an Army division in charge of guarding the president, have started inspecting with mirrors the undercarriage of each car entering the palace for bombs. [passage omitted]

The press is linking the security measures adopted at Miraflores Palace with charges of a coup attempt by Radical Cause Party presidential candidate Andres Velasquez. Interior Minister Carlos Delgado has insisted, however, that the precautions are routine and added that total calm prevails in the country.